# FRANCHISE DISCLOSURE DOCUMENT

WIO Franchising LLC
755 Schneider Drive
South Elgin, IL 60177
Phone: (847) 608-8500
Email: franchising@craveworthybrands.com
Website: www.WingItOn.com

We are WIO Franchising LLC, a Nevada limited liability company. We offer franchises to qualified individuals and entities to own and operate a Wing It On! franchise under our service marks, trade names, programs, and systems under the name "Wing It On!" (the "Mark(s)"). Our franchisees operate a quick service restaurant or food truck that sells a wide variety of chicken wings and other menu items for dine in, carry out and delivery under the Marks and the Wing It On! programs and systems (the "Method of Operation").

The total investment necessary to begin operation of a Wing It On! Restaurant franchise is $210,500 to $440,000. This includes $30,000 that must be paid to the franchisor and its affiliate(s). The total investment necessary to begin operation of two to three Wing It On! Restaurant franchises is $233,000 to $477,000. This includes $52,500 to $67,000 that must be paid to the franchisor and its affiliate(s). You must open a minimum of two Wing It On! Franchised Businesses under an Area Development Addendum.

The total investment necessary to begin operation of a Wing It On! Food Truck franchise is $77,250 to $126,764. This includes $15,000 that must be paid to the franchisor and its affiliate(s). The total investment necessary to begin operation of two to three Wing It On! Food Truck franchises is $92,250 to $156,764. This includes $30,000 to $45,000 that must be paid to the franchisor and its affiliate(s). You must open a minimum of two Wing It On! Franchised Businesses under an Area Development Addendum. You must have at least one operational Wing It On! Restaurant Franchise before you open any Food Truck Franchises.

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

You may wish to receive your disclosure document in another format that is more convenient for you. To discuss the availability of disclosures in different formats, contact Rich Guckel, 755 Schneider Drive, South Elgin, IL 60177; phone: (847) 608-8500; email: franchise@craveworthybrands.com.

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

Buying a franchise is a complex investment. The information in this disclosure document can help you make up your mind. More information on franchising, such as "A Consumer's Guide to Buying a Franchise," which can help you understand how to use this disclosure document, is available from the Federal Trade Commission. You can contact the FTC at 1-877-FTC-HELP or by writing to the FTC at 600 Pennsylvania Avenue NW, Washington, D.C. 20580. You can also visit the FTC's home page at www.ftc.gov for additional information. Call your state agency, visit your public library or search online 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: February 17, 2023, as Amended July 21, 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 D. |
| **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 E 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 Wing It On! business in my area?** | Item 12 and the "territory" provisions in the franchise agreement describe whether the franchisor and other franchisees can compete with you. |
| **Does the franchisor have a troubled legal history?** | Items 3 and 4 tell you whether the franchisor or its management have been involved in material litigation or bankruptcy proceedings. |
| **What's it like to be WIO Franchising LLC franchisee?** | Item 20 or EXHIBIT C and EXHIBIT D lists current and former franchisees. You can contact them to ask about their experiences. |
| **What else should I know?** | These questions are only a few things you should look for. Review all 23 Items and all Exhibits in this disclosure document to better understand this franchise opportunity. See the table of contents. |

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

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

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

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

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

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

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

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

### Some States Require Registration

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

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

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## Special Risks to Consider About *This* Franchise

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

1. **Out-of-State Dispute Resolution.** The franchise agreement requires you to resolve disputes with the franchisor by mediation, arbitration and/or litigation only in North Carolina. 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 North Carolina than in your own state.

2. **Short Operating History**. The 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 in a system with a longer operating history.

3. **Mandatory Minimum Payments.** You must make minimum royalty, advertising, and other payments, regardless of your sales levels. Your inability to make the payments may result in termination of your franchise and loss of your investment.

4. **Spousal Liability**. Your spouse must sign a document that makes your spouse liable for all financial obligations under the franchise agreement even though 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

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

## NOTICE REQUIRED BY
## STATE OF MICHIGAN

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

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

(a) A prohibition on the right of a franchisee to join an association of franchisees.

(b) A requirement that the franchisee assent to a release, assignment, novation, waiver, or estoppel which deprives a franchisee of rights and protections provided in this act. This shall not preclude a franchisee, after entering into a franchise agreement, from settling any and all claims.

(c) A provision that permits a franchisor to terminate a franchise prior to the expiration of its terms 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 five 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 six 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 or under similar circumstances. This section does not require a renewal provision.

(f) A provision requiring that arbitration or litigation be conducted outside this state. This shall not preclude the franchisee from entering into an agreement, at the time of arbitration, to conduct arbitration at a location outside this state.

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

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

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

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

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

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

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

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

Any questions regarding this notice should be directed to the Department of Attorney General, State of Michigan, 670 Williams Building, Lansing, Michigan 48913, telephone (517) 373-7117.

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EXHIBITS:

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

We are WIO Franchising LLC (called "We," "Us" or "Our"). We were organized in Nevada on January 11, 2023. We do business under the name "Wing It On!" and the Wing It On! Marks. We do not intend to do business under any other names. WIO Franchising LLC is called "us" or "we" in this Franchise Disclosure Document. "You" means the prospective purchaser of a Wing It On! franchise, and includes owners or partners of a corporation, partnership or other legal entity that purchases a Wing It On! franchise.

We are the franchisor of the Wing It On! franchise system. We license our franchisees to own and to operate franchises under the Wing It On! names and marks. We authorize our franchisees to operate a quick service restaurant or mobile food truck that sells a wide variety of chicken wings, chicken sandwiches, and other menu items for both dine in and carry out, and to use our Method of Operation and our Marks in the operations of the franchisee's business.

Our principal office address is 755 Schneider Drive, South Elgin, IL 60177. Our telephone number is (847) 608-8500. In January 2023, we acquired the assets of our predecessor, WIO Franchising, Inc. with an address of 105 Burham Court, Apex, NC 27502, by asset purchase. Our predecessor offered franchises from 2020 to our acquisition in 2023. We began offering franchises in February 2023. We do not have any other business activities. We have never offered franchises in any other line of business. We do not operate businesses of the type being franchised. We and our affiliates may attempt to negotiate group discount rates for the benefit of our franchisees for products and services and for marketing and sales materials.

Our registered agents for other states are outlined in EXHIBIT F to this Disclosure Document.

Our parent is Craveworthy LLC, a Nevada corporation, business address 112 North Curry Street, Carson City, NV 89703 USA.

We do not have any affiliates that provide products or services to our franchises. Since April 2011, MZM Food Group LLC has owned and operated a business in Waterbury, CT that offers products and services similar to the products and services offered by our franchisees. Matt Ensero was the principal.

We and our affiliates retain the right to own or operate Wing It On! franchises and corporate locations.

Krafted Burgers Franchise LLC, an Illinois limited liability company, business address 755 Schneider Drive, South Elgin, IL 60177, USA, has offered franchises for Krafted Burger Bar + Tap franchises since 2023. As of December 31, 2022, it had 0 franchised businesses.

The Budlong Franchise Nevada LLC, a Nevada limited liability company, business address 755 Schneider Drive, South Elgin, IL 60177, USA, has offered franchises for Budlong Hot Chicken franchises since April 2023. As of December 31, 2022, it had 0 franchised businesses.

The Lucky Cat Poke LLC, an Illinois limited liability company, business address 755 Schneider Drive, South Elgin, IL 60177, USA, has offered franchises for Lucky Cat Poke franchises since 2023. As of December 31, 2022, it had 0 franchised businesses.

Genghis Grill Franchise LLC, a Nevada limited liability company, business address 755 Schneider Drive, South Elgin, IL 60177, USA, has offered franchises for Genghis Grill franchises since July 2023; its predecessor offered franchises from January 2005 to July 2023. As of December 31, 2022, there were 20 franchised Genghis Grill businesses.

BD’s Mongolian Grill Franchise LLC, a Nevada limited liability company, business address 755 Schneider Drive, South Elgin, IL 60177, USA, has offered franchises for bd’s Mongolian Grill franchises since July 2023; its predecessor offered franchises from December 1995 to July 2023. As of December 31, 2022, there were 10 franchised bd’s Mongolian Grill businesses.

The market for Wing It On! products consists primarily of families and individuals of all ages. The principal sources of direct competition for your franchise are independent, franchised, and chain dine-in any carry out chicken wing restaurants and other restaurants that offer and may provide similar products.

A Wing It On! franchise may depend on geography, competition, economics, weather and other factors, and there will be some seasonality to your franchise. In general, our peak season for most locations begins the first week of the NFL football season and lasts through the end of the Football season and Super Bowl. Holidays may also generally represent increased or decreased traffic depending on your location.

Many jurisdictions have specific laws and regulations pertaining to the sale of food, in particular, labor laws, including those related to hiring minors, food safety, access by persons with disabilities, safety, and zoning. It is your responsibility to identify and comply with any and all laws applicable to owning and operating your franchise. We urge you to investigate these laws, regulations and alike and to speak with professionals with expertise in each area before becoming a Wing It On! franchisee.

Many landlords, especially if your franchise is located within a retail development, may regulate the sale of certain products and may obligate you to “use “clauses in the franchised location lease that may regulate or limit the type or volume of products or services you may offer and sell from the franchised location and may have other favorable or unfavorable terms. Based on these and similar potential limitations or impacts, Wing It On Franchising requires all potential locations be submitted with a business plan, copy of the terms of the agreement and similar in advance and will either approve/disapprove of each proposed location and on an individual basis.

Most jurisdictions have laws, regulations and requirements that apply to all businesses including Wing It On!. Generally, these may include nut are not limited to:

Federal. Examples of federal laws are wage and hour, occupational health and safety, equal employment opportunity, communication to employees, environmental, and Americans with Disabilities Act.

State. State laws may cover the same topics as federal laws or extend additional laws, regulations, and requirements. Examples of state laws may also include environmental, occupational health and safety; and fire, health and building, and construction laws.

Local. Local laws may cover the same topics as federal and state laws or extend additional laws, regulations, and requirements other examples of local laws may include zoning, fire codes and waste disposal.

This Disclosure Document contains a summary of some material provisions of the franchise agreement. However, the Franchise Agreement (EXHIBIT A) expresses and governs the actual legal relationship between you and us.

If you desire and qualify to develop multiple Wing It On! Franchised Businesses, we offer the opportunity to enter into an Area Development Addendum with us (the "Area Development Addendum"). Under an Area Development Addendum, you are granted the ability to develop multiple Wing It On! Franchised Businesses within a designated area (the "Development Area") in accordance with a pre-approved development schedule specified in the Area Development Addendum (the "Development Schedule"). The current Area Development Addendum is attached as Exhibit "2" of the Franchise Agreement.

Upon establishing each additional outlet under the agreed upon Development Schedule, an Area Developer may be required to sign a then-current Franchise Agreement, which may differ from the current Franchise Agreement included with this Franchise Disclosure Document. If you do not open your Franchised Businesses per the Development Schedule, or you are not in good standing, we may terminate the Area Development Addendum; you will lose the ability to develop other Wing It On! Franchised Businesses under the Area Development Addendum, we may keep the full development fee, which you paid; and be entitled to additional fees based upon our agreement, however, the Franchise Agreements for the Wing It On! Franchised Business already opened will not be terminated, because you did not follow the Development Schedule.

The Franchise Agreement does not make you our agent, legal representative, joint ventures, partner, employee, servant or establish any similar relationship for any purpose. You will be an independent franchise owner and will not be authorized or have any rights implied or otherwise to make any promise, agreement, warranty or representation or to create any obligation, expressed or implied, for us.

## ITEM 2. BUSINESS EXPERIENCE

Gregg Majewski – Manager

Mr. Majewski has been a Manager since our inception in January 2023. Mr. Majewski has also served as the Chief Executive Officer of Mongolian Concepts, LLC ("MC"), Irving, Texas, since September 2021, and is located in South Elgin, Illinois. has served as the Manager of The Budlong Nevada Franchise LLC ("Budlong") since April 2023, and is located in South Elgin, Illinois. Mr. Majewski has also served as the Chief Executive Officer of Craveworthy Brands LLC ("CW"), located in South Elgin, Illinois, since January 2023. Mr. Majewski has been the Chief Executive Officer of Wildcat Investment, LLC in South Elgin, Illinois since December 1999.

Matt Ensero – President

Mr. Ensero founded Wing It On! He has been our President since our inception, and was President and Treasurer of WIO Franchising Inc from January 2020 to January 2023. He was Owner and Manager of WIOWheels LLC from December 2017 through January 2020, located in Prospect, Connecticut. Matt was also Owner and Manager of Ensero Associates, LLC, Prospect, Connecticut, and Wing It On Franchising LLC, Apex, NC, from April of 2011 and March of 2014, respectively until January of 2020.

Jeremy Theisen – Chief Growth and Development Officer

Mr. Theisen has been our Chief Growth and Development Officer since June 2023. Mr. Theisen has also been the Chief Growth and Development Officer of CW, Budlong, MC, and WIO since June 2023. Prior to that, Mr. Theisen was the Chief Growth Officer for FAT Brands from November 2022 to June 2023 in Beverly Hills, California; Chief Revenue Officer for PathSpot from October 2020 to November 2022 in New York, New York; Executive Vice President, Enterprise Sales and Partnerships for Sevenrooms from January 2020 to October 2022 in New York, New York; and Chief Sales Officer for Punchh from August 2014 to June 2019, in San Mateo, California.

Kimberly DeCarolis – Senior Vice President – Strategic Growth

Ms. DeCarolis has been our Senior Vice President of Strategic Growth since June 2023. Ms. DeCarolis has also served as the Senior Vice President of Strategic Growth of CW, Budlong, MC, and WIO since June 2023. Prior to that, Ms. DeCarolis was the Director of Franchise Sales for FAT Brands from November 2022 to June 2023 in Beverly Hills, California; Vice President, Sales for PathSpot from October 2020 to January 2023 in New York, New York; Vice President, Enterprise Sales for Sevenrooms from January 2020 to October 2020 in New York, New York; and Senior Vice President, Sales for Punchh from August 2017 to January 2020, in San Mateo, California.

Justin Egan – Vice President of Marketing

Mr. Egan has been our Vice President of Marketing since our inception, and was Chief Marketing Officer of WIO Franchising Inc. from January 2020 to January 2023. He was previously Director of Marketing for the predecessor company Wing It On Franchising LLC from February 2014 to January 2020. Prior to working with Wing It On!, Mr. Egan held multiple leadership roles in both Product Marketing & Brand Management for The Hartford Insurance Company, located in Connecticut, from September of 2008 to April of 2018.

Rich Guckel, Vice President of Development

Mr. Guckel has been our Vice President of Development since January 2023. Mr. Guckel is also the Vice President of Development for our affiliate MC, Irving, Texas, since October 2019.

Previously, Mr. Guckel was the Vice President of Business Development for Argo Tea in Chicago, Illinois from October 2018 to July 2019. Prior to that, Mr. Guckel was the Sr. Director of Franchise Business for LeDuff America in Dallas, TX from January 2014 to September 2018.

Blake Johnson, Vice President of Marketing

Mr. Johnson has been our Vice President of Marketing since January 2023, and has served as the Vice President of Marketing for MC since January of 2022. Prior to that he was the Director of Marketing at Newk's Franchise LLC in Jackson, Mississippi from March 2021 until December 2021, Director of Marketing for MC in Irving, Texas from May 2018 until February 2021, and Brand Marketing Manager of Local Favorite Restaurants LLC in Dallas, Texas from October 2015 until April 2018.

Neil Quinn, Vice President of Finance & Chief Financial Officer

Mr. Quinn has been our Vice President of Finance and CFO since January 2023, and has served as the Vice President of Finance and CFO for MC since June 2021. Mr. Quinn was not employed between April and June 2021. Prior to that he was the Chief Financial Officer of Mazzetta Company, LLC in Highland Park, Illinois from July 2017 until April 2020. Mr. Quinn was not employed from November 2016 until July 2017. Mr. Quinn was also the Vice President of Treasury at McDonald's Corporation in Oak Brook, Illinois from April 1994 until November 2016.

Lori Cominsky, Vice President of Operations and Training

Ms. Cominsky has been our Vice President of Operations and Training since January 2023, and has served as Vice President of Operations and Training of our affiliate MC since April 2021. Prior to that, she was Vice President of Operations for Protein Bar & Kitchen, Chicago, Illinois, from August 2017 to March 2020.

Jason Levinson, Vice President of Technology

Mr. Levinson has been our Vice President of Technology since January 2023, and has served as the Vice President of Technology for our affiliate MC since August of 2022. Previously, he was Vice President of Technology for Giordano's in Chicago, Illinois from December 2019 through July of 2022. Prior to that, Mr Levinson was the Vice President of Information Technology for Ciccio Restaurant Group in Chicago, Illinois from July 2019 to January 2020. Prior to that Mr. Levinson was Vice President of Information Technology for First Watch Restaurants in Tampa Florida from January 2017 to January 2019.

Cassie Scholtens, Senior Director of Training and People

Ms. Scholtens has been our Senior Director of Training and People since January 2023, and has served as Senior Director of Training and People of our affiliate MC since March 2020. Prior to that, she was the Director of Training for MC from March 2018 to March 2020, and was the Operations Support Manager for DK Flat Top Grill, LLC in Burnsville, MN from January 2016 to March 2018.

Becca McIntyre, Vice President of Culinary and Supply Chain

Ms. McIntyre has been our Vice President of Culinary and Supply Chain since January 2023, and has been the Vice President of Culinary and Supply Chain for MC since January 2022. Prior to that, she was the Director of Culinary and Supply Chain for MC from January 2017 to January 2022.

## ITEM 3. LITIGATION

No litigation is required to be disclosed in this item.

## ITEM 4. BANKRUPTCY

No bankruptcy is required to be disclosed in this item.

## ITEM 5. INITIAL FEES

Initial Franchise Fee

You are required to pay us an Initial Franchise Fee of $30,000 for a Restaurant Franchise and $15,000 for a Food Truck Franchise. You must have at least one operational Wing It On! Restaurant Franchise before you open any Food Truck Franchises. The Initial Franchise Fee is paid in consideration of our sales expenses, administrative overhead, return on investment and start-up costs related to the execution of the Franchise Agreement and the opening of the Franchise and for our lost or deferred opportunity to sell franchises in the Franchise Territory (Exhibit 1 to Franchise Agreement) to others. The initial franchise fee is uniformly charged for all franchises currently being offered. You must pay the initial franchise fee in full when you sign the franchise agreement. The initial franchise fee is considered fully earned and is nonrefundable upon execution of the franchise agreement.

Area Development For Multiple Franchise Purchases

The Area Development Fee is $30,000 for the first Restaurant franchise, $22,500 for the second Restaurant franchise, and $14,500 for each subsequent Restaurant franchise. The Area Development Fee is $15,000 for the first Food Truck franchise, $15,000 for each subsequent Food Truck franchise. You must have at least one operational Wing It On! Restaurant Franchise before you open any Food Truck Franchises. The Area Development Fee is due in full immediately upon execution of the Area Development Addendum. The Area Development Fee is uniformly charged for all Area Development Addendums currently being offered. The full Area Development Fee is considered fully earned and nonrefundable upon payment.

The initial fees are uniform except as described in Item 5.

In 2022, our predecessor collected initial franchise fees ranging from $29,250 to $32,500 based on our previous initial franchise fee and the veterans discount we offer.

## ITEM 6. OTHER FEES

| Type of Fee | Amount | Date Due | Remarks |
|---|---|---|---|
| Monthly Royalty Fee | **Restaurant:** 6% of your monthly Gross Revenue<br>**Food Truck:** 6% of your monthly Gross Revenue or $600 per month, whichever is greater[1]. | Payable monthly by the 5th day of each month for the prior month. | This fee may be payable through automatic debit processes or other methods outlined in the Operations Manual.[2] |
| Monthly Marketing Fund Contribution[3] | **Restaurant:** 2.5% of your monthly Gross Revenue<br>**Food Truck:** 2.5% of your monthly Gross Revenue or $250 per month, whichever is greater | Payable monthly by the 5th day of each month for the prior month. | This fee may be payable through automatic debit processes or other methods as outlined in the Operations Manual.[2] |
| Local Advertising Contribution | **Restaurant or Food Truck**: 1.5% of your monthly Gross Revenue[1] which we will spend on local advertising in your market area. | Payable monthly by the 5th day of each month for the prior month. | This fee may be payable through automatic debit processes or other methods as outlined in the Operations Manual.[2] |
| Additional Training and/or support | We may charge reasonable fees for any additional on-boarding training, and you will be responsible for reimbursement for traditional travel expenses including lodging and meal costs | Before opening or after you open your franchise for business. | You must give us not less than 30 days' prior written notice of your desire to receive additional training.[5] |
| Transfer Fee | $10,000 | Before transfer | |
| Renewal Fee | $15,000 | At the time of renewal | |
| Relocation | You will reimburse us for our reasonable out-of-pocket costs concerning the relocation. | Before relocation | |
| Site Selection Support | Billed at a maximum of $200 per hour | As incurred | You are provided 14 days of site selection support and assistance. Support beyond the 14-day window may result in additional fees of $200 per hour. |
| Step-In Right Costs | As incurred | As incurred | You must reimburse us for our out-of-pocket expenses and costs we incur if we step-in to operate your franchise pursuant to Franchise Agreement. |

| Type of Fee | Amount | Date Due | Remarks |
|---|---|---|---|
| Late Charge | 1.5% per month | Each month that amounts owed remain unpaid | You will not be compelled to pay late charges at a rate greater than the maximum allowed by applicable law. |
| Failure to open in timely manner | $2,500 per month | As incurred | If you fail to open you Wing It On! business in a timely manner due to fault of your own, we may charge you a $2,500 fee for each month that you franchised business is not open and operational. |
| Audit Fees[4] | Amount of Audit | As incurred | |
| Late Payment Penalty | $10 per day from the date due until paid in full. | As incurred | You will not be compelled to pay late payment penalty in an amount greater than the maximum allowed by applicable law |

*All fees are imposed by and payable to us. All fees are uniformly imposed, collected, and non-refundable. Some franchisees under future versions of our franchise agreement or by negotiated agreements may be obligated to pay more, less, or different fees than what is listed here.

Notes

1. Gross Revenue and Reporting: "Revenue" means all receipts generated by the franchise from any source including sales, exchanges, services, labor, service charges, etc. Credit sales shall be calculated as of the date of sale without deduction for uncollected credit accounts. "Revenue" shall not include bona fide credits for returns of merchandise, promotional discounts, or the amounts collected and paid to appropriate governmental authorities under the provisions of any Sales Tax, Retailer's Occupation, or similar Act. The proceeds from any business interruption insurance or eminent domain recovery you receive are included in "Revenue." "Gross Revenue" means your total Revenue for each calendar month (or other specified period).

You will deliver to us, as outlined in the Operations Manual, an itemized sales report of your Gross Revenue for the preceding month. The report must be in the form we designate. All Royalty Fee, Marketing Fund Contribution, and Local Advertising Contribution payments based upon the Gross Revenue for the preceding month must be submitted with the report.

Taxes. You must pay any taxes imposed as a result of your payment to us of initial or ongoing fees.

2. Automatic Withdrawal: We may require you to make fee payments by automatic account withdrawal or other automatic processes we reasonably specify in the Operations Manual, such as check, cash, certified check, money order, credit or debit card, automatic pre-authorized payment plan, electronic funds transfer or the Internet. We will inform you of any change in the required fee payment process at which point you will be expected to submit fees in such fashion.

[3.] Marketing Fund Contribution. We reserve the right to temporarily lower, suspend, or rebate the Marketing Fund Contribution at any time, upon prior written notice to you and to our other franchisees. Marketing Fund Contribution payments are in addition to and exclusive of the Local Advertising Contribution. We have sole discretion over the creative ideas, materials, endorsements, media, placement, and allocation of monies related to the use of the Marketing Fund Contribution and Local Advertising Contribution.

The Marketing Fund Contribution is used to maintain, administer, direct, prepare, and review national, regional, and local advertising materials and programs and to cover our related overhead as we in our sole discretion deem necessary. We are under no obligation to administer the Marketing Fund Contribution to ensure that expenditures are proportionate to contributions of our franchisees for any given market area or that any franchise benefits directly or proportionately from the development or placement of advertising. We are not obligated to expend all or any part of the Marketing Fund Contribution during any specific time. We will spend the Local Advertising Contribution for advertising in your local market area that will, in our determination, benefit your business.

[4.] Audits. We may audit your reports, books, statements, business records, cash control devices, and tax returns at any time during normal business hours. Audits will be conducted at our expense unless you understate the Gross Revenue for any reported period or periods by more than 5 percent or unless you fail to deliver any required report of Gross Revenue or any required financial statement in a timely manner. In the event of an understatement or failure to deliver, you will reimburse us for all audit costs. These will include, among other things, the charges of any independent accountant and the travel expenses, room, board, and compensation of our employees incurred in connection with the audit. You will immediately pay all Royalty Fees, Marketing Fund Contributions, Local Advertising Contributions and late payment charges that the audit determines are owed. These payments will not prejudice any other remedies we may have under this Agreement or by law.

[5.] Additional Training. The duration of training will be determined based upon your request and/or needs based upon performance. You will not receive any compensation for services rendered by the trainee during this or any other training. We may also designate qualified franchisees or master franchisees to conduct some or all your training if we believe it will be a viable option.

## ITEM 7. ESTIMATED INITIAL INVESTMENT

A. Restaurant

If you desire to open a Wing It On! Restaurant Franchise, your estimated initial investment will be as follows:

**YOUR ESTIMATED INITIAL INVESTMENT**

| Type of Expenditure | Amount | Method of Payment | When Due | To Whom the Payment is To Be Made |
|---|---|---|---|---|
| Franchise Fee[1] | $30,000 | Wire Transfer or Cashier's Check | Upon Signing Franchise Agreement | Us |

| Type of Expenditure | Amount | Method of Payment | When Due | To Whom the Payment is To Be Made |
|---|---|---|---|---|
| Real Estate/Rent[2] | $500 to $11,500 | As Arranged | Before Beginning Operations | Lessor |
| Utility Deposits[3] | $500 to $2,000 | As Arranged | Before Beginning Operations | Utilities |
| Leasehold Improvements[4] | $60,000 to $185,000 | As Arranged | Before Beginning Operations | Contractors, Suppliers |
| Furniture, Fixtures & Equipment[5] | $78,000 to $125,000 | As Arranged | Before Beginning Operations | Approved Suppliers |
| Initial Inventory[6] | $4,000 to $7,000 | As Arranged | Before Beginning Operations | Approved Suppliers |
| Insurance[7] | $500 to $2,500 | As Arranged | Before Beginning Operations | Insurance Companies |
| Signage[8] | $2,500 to $14,000 | As Arranged | Before Beginning Operations | Suppliers |
| Grand Opening Advertising[10] | $5,000 to $10,000 | As Arranged | First 3 Months of Operation | Advertising Suppliers |
| Computer Equipment (Hardware/Software/ POS System) [11] | $3,500 to $5,000 | As Arranged | Before Beginning Operations | Suppliers |
| Training[12] | $250 to $2,500 | As Arranged | Before Beginning Business | Hotels & Airlines |
| Licenses & Permits[13] | $250 to $1,500 | As Arranged | Before Beginning Business | Licensing Authorities |
| Legal & Accounting[14] | $500 to $2,000 | As Arranged | Before Beginning Business | Attorney, Accountant |
| Architectural Fees | $5,000 to$12,000 | As Arranged | Before Beginning Business | Architect |
| Additional Funds – three months[15] | $20,000 to $30,000 | As Arranged | As Necessary | Employees, Utilities, Lessor, Suppliers |
| **TOTAL[16]** | **$210,500 to $440,000** | | | |

You should anticipate the preceding and estimated initial expenditures in connection with the establishment of a Wing It On! franchised business and your first 3 months of operations. Additional information related to each expenditure category and estimate are described in the following Notes.

Financing sources may reduce your initial out of pocket cash expenditures. Financing availability and terms of financing to any individual franchisee will depend upon many factors such as the availability of financing in general, creditworthiness, required collateral and the policies of lending institutions concerning the type of business, and the experience of the business to be operated by you. The investment and expenditures required of each actual franchisee may vary considerable form the projections outlined below, and depend on many factors, including geographical area, the amount of space leased by you, if any, and the capabilities of the particular management and service team. If you are purchasing multiple franchises, you will incur the estimated initial expenses for each franchise you operate.

NOTES

[1] Franchise Fee. The Initial Franchise Fee for Restaurant Franchise is $30,000. We do not finance any fees. Any fees paid to us or our affiliates are non-refundable

[2] Real Estate/Rent. You must work with a local licensed broker to find your location. You must lease or otherwise provide a suitable facility for the operation of the franchise that is approved by us before executing, promising or otherwise committing to a location. Typically, the facility will range in size from 1,000 to 2,000 square feet. It is difficult to estimate lease acquisition costs because of the wide variation in these costs and potential credits between local and geographic locations and specific location and market factors. Lease costs will vary based upon a number of factors including square footage, cost per square foot and required maintenance costs. The lower estimate is based on the assumption that you will have to pay a security deposit equal to one month's rent and is based on leasing a facility of 1000 square feet. The higher estimate illustrates the cost based on leasing a larger facility of 2,000 square feet and at a higher cost per square foot and may include monies back to you from the landlord in the form of Tenant improvements. Some lessors may refund the security deposit if you cancel the lease before you occupy the premises. The estimated range of costs in this category only includes your costs to enter into a lease agreement for the facility. Estimated rental costs for 3 months are included with the category "Additional Funds," (See Note 15 below). We recommend that you become familiar with the lease process, fees, cost and obligations associated.

[3] Utility Deposits. If you are a new customer of your local utilities, you generally have to pay a deposit to obtain services such as electric, telephone, gas, internet, and water. The amount of the deposit and whether the deposit is refundable will vary on the local utilities. You should contact the local utilities for more information.

[4] Leasehold Improvements. To adapt to a newly acquired facility for the operation of the franchise, it must be renovated. The cost of the leasehold improvements will vary depending on many factors. This includes size, condition, and location of the facility, local wage rates and the cost of materials and any landlord contributions as examples. The lower estimate assumes that you will find a location with an existing and working kitchen exhaust hood system and grease trap and that your landlord will provide a partial build-out allowances. The amounts you pay for the leasehold improvements are typically non-refundable. You should work with industry professionals and inquire about leasehold improvements, and any refund policy of the contractor(s) at or before the time of hiring.

[5] Furniture, Fixtures & Equipment. You must purchase and/or lease and install furniture, fixtures and equipment and décor necessary that comply with our requirements to operate your franchise. The cost of the furniture, fixtures, and equipment will vary according to local market conditions, the size of the facility, suppliers and other related factors. All furniture and decor must be approved by Wing It On Franchising before purchase/installation. We do not know if the amounts you pay for furniture, fixtures or equipment are refundable. Factors determining whether furniture, fixtures, and equipment are refundable typically include the condition of the items, level of use,

length of time of possession and other variables. You should inquire about the return policy of the suppliers at or before the time of purchasing or leasing.

[6] Initial Inventory. You must purchase an initial inventory. Costs vary based on the size and location of the franchise, time of the season, suppliers and other related factors. We do not know if the amounts you pay for other inventory items are refundable. Factors determining whether other inventory items are refundable typically include the condition of the items at the time of return, level of us, and length of time of possession. You should inquire about the return and refund policy of the suppliers at or before the time of purchasing.

[7] Insurance. You must purchase and maintain the following types and amounts of insurance as a minimum requirement:

- "all risk" property insurance coverage for assets of the franchise;
- workers' compensation insurance and employer liability coverage with a minimum limit of $1,000,000 or higher if your state law requires;
- comprehensive general liability insurance with minimum liability coverage of $1,000,000 per occurrence, or higher if your state law requires;
- business interruption insurance in the amount of $100,000;
- Vehicle liability insurance of at least $500,000, or higher if your state law requires (for Food Truck Franchises only).

Factors that may affect your costs of insurance include the size and location of the franchise, the value of the leasehold improvements, equipment, inventory, number of employees and other factors. The amounts you pay for insurance are typically non-refundable. You should inquire about the cancellation and refund policy of the insurance carrier or agent at or before the time of purchase. You should inquire about the cancellation and refund policy of the insurance carrier or agent at or before the time of purchase.

The insurance will not be limited in any way because of any insurance we maintain. Maintenance of the required insurance will not diminish your liability to us under the indemnities contained in this Agreement. The policy or policies will ensure against our vicarious liability for actual and (unless prohibited by applicable law) punitive damages assessed against you.

We recommend that you consult with experience professionals such as an Insurance Agent and Attorney.

We may require you to increase the minimum limits of and additional types of coverage in the future as a business practice and to insure any compliance or best practices as determined solely by us.

The insurance will ensure us, you, and our respective subsidiaries, affiliates owners, officers, directors, partners, members, employees, servants, and agents against any loss, liability, products liability, personal injury, death, or property damage that may accrue due to your operation of the

Franchise. Your policies of insurance will contain a separate endorsement naming us, as an additional named insured.

[8] Signage. This range includes the estimated cost of all signage used in the franchise. The signage requirements and costs will vary based upon the size and location of the franchise, local zoning requirements, landlord requirements and local wage rates for installation. All signage must be approved by Wing It On Franchising before purchase/installation. The amounts you pay for signage are typically non-refundable. You should inquire about the return and refund policy of the suppliers at or before the time of purchase.

[9] Office Equipment and Supplies. You must purchase general office supplies including stationery, business cards, and typical office equipment. Factors that may affect your cost of office equipment and supplies include market conditions, competition among suppliers and other factors. We do not know if the amounts you pay for office equipment and supplies are refundable. Factors determining whether office equipment and supplies are refundable typically include the condition of the items at the time of return, level of use and length of time of possession. You should inquire about the return and refund policy of the suppliers at or before the time of purchase.

[10] Grand Opening. You must spend the minimum amount we specify on grand opening advertising during the first 3 months of operation. We determine the minimum based on our assessment of your adverting costs in your area and the time of year that you are opening. You may choose to spend more. See ITEM 11. Factors that may affect the actual amount you spend include the type of media used, the size of the area you advertise to, local media cost, location of the franchise, time of year, customer throughout and customer demographics in the surrounding area. The amounts you spend for grand opening advertising are typically non-refundable. You should inquire about the return and refund policy of the suppliers at or before the time of purchasing.

[11] Computer Equipment (Hardware/Software/POS System). You must purchase the computer equipment, hardware, and software necessary for operating the franchise. We currently require that you use Toast POS, Merchant Services & Enterprise Reporting. Additional requirements include lncentivio Mobile/Web Ordering, Gift Card Pooling, and Loyalty/ Rewards as well as Chowly for 3rd Party Delivery Integration, 360 Relay for Mystery Shopping Services (minimum 1 shop per month), and Restaurant 365 for Restaurant Back Office/Management. We do not know if the amounts you pay for the computer and associated equipment may be refundable. The amounts you pay for computer and associated equipment are typically non-refundable, or if refundable, may be subject to a "restocking" fee or discounted used equipment fee. You should inquire about the return and refund policy of the suppliers at or before the time of purchasing.

[12] Training. The cost for the required initial training package is included in the franchise fee. However, it does not include your cost to attend. You are responsible for all travel, lodging, meals and all other similar expenses you may incur while attending training at our headquarters or a specified training location. Grand Opening support and training for one (1) trainer / support resource for up to two weeks (2) is also included in your franchise fee. Any additional training/support prior, during and after your grand opening will be at your sole expense. You will be responsible for the cost of the training and support, and any associated travel and or costs associated and incurred by us to facilitate the training and/or support. t. You will be responsible for payment immediately upon receiving the invoice, and fees must be paid in advance.

[13] Licenses & Permits. State and local government agencies typically charge fees for occupancy permits, operating licenses and construction permits. Your actual costs may vary from the estimates based on the requirements of state and local government agencies. These fees are typically non-refundable. You should inquire about the each of the requirements, associated fees, timelines and any cancellation and refund policy of the agencies at or before the time of payment.

[14] Legal & Accounting. You will need to employ an attorney, an accountant, and other professionals s to assist you in establishing your franchise. These fees may vary from location to location depending on the prevailing rates of local attorneys, accountants, and consultants. These fees are typically non-refundable. You should inquire about the refund policy of the attorney, accountant or consultant at or before the time of hiring.

[15] Additional Funds. We require that you have a minimum amount of money available to cover operating expenses, including rent, utilities and employees' salaries and local marketing for the first 3 months that your franchise is open. We may require proof of funds before you open for business. These are only estimates based on our affiliate's experience in opening and operating a similar business. The predominant factors for calculating the 3-month estimate are amounts paid for employee wages and inventory amongst other variables. We cannot guarantee that our recommendation will be sufficient. Additional working capital may be required if your sales are lower or operating costs are higher or if there are any unforeseen issues not in your planning and research that arise. These expenses are typically non-refundable.

[16] Total. In compiling this chart, we used on our and our affiliate's history, knowledge, and experience. The amounts shown are estimates only and may vary for many reasons, including the size and condition of your facility, the capabilities of your management team, where you locate your franchise and your business experience and acumen. You should research and review these estimates carefully with a professional or professionals such as an accountant, business advisor or others before making any decision to buy a franchise. These figures are estimates only, and we cannot guarantee that you will not have additional expenses in starting or operating the franchise.

We do not offer direct or indirect financing to you for any items.

We require no other payments.

B. Food Truck

If you desire a Wing It On! Food Truck Franchise, your estimated initial investment will be as follows. You must have at least one operational Wing It On! Restaurant Franchise before you open any Food Truck Franchises (see above for Wing It On! Restaurant Franchise estimated initial investment).

| Type of Expenditure | Estimated Amount | Method of Payment | When Due | To Whom the Payment is To Be Made |
|---|---|---|---|---|
| Initial Franchise Fee | $15,000 | Lump Sum | Upon execution of Franchise Agreement | Us |
| Grand Opening Advertising[1] | $1,500 to $5,000 | As incurred | Per vendor terms | Paid to suppliers as negotiated |
| Food Truck[2] | $23,000 to $38,934 | Lump sum | Service Inception | Auto Dealer |

| Type of Expenditure | Estimated Amount | Method of Payment | When Due | To Whom the Payment is To Be Made |
|---|---|---|---|---|
| Truck Improvement | $5,000 to $15,000 | Lump sum | Service Inception | Supplier |
| Commissary Rent[3] | $0 to $300 | Lump sum | Monthly | Landlord |
| Utility, Telephone, and deposits | $0 to $50 | Lump sum | Service inception | Utility and Provider companies |
| Signage[4] | $4,500 to $6,480 | Per Vendor | Per Vendor | Suppliers and Vendors |
| Opening Inventory[5] | $2,000 to $3,000 | Per Vendor | Per Vendor | Vendors, and Suppliers |
| Equipment, Tools, and Supplies [6] | $13,000 to $21,000 | Lump sum or 3rd party finance | Per vendor or finance company terms | Vendor or third-party finance company |
| Insurance[7] | $600 to $1,500 | Lump sum | Per negotiated terms | Insurance carrier |
| Computer and Operating Software[8] | $500 to $1,500 | Lump sum | Before installation of software | Vendor |
| Travel/Room/ Board for Training [9] | $1,500 to $2,500 | Cash/open account | Per vendor terms | Various vendors |
| Legal, Accounting, and other Professional Fees [10] | $500 to $1,000 | Per provider | Per provider | Service provider |
| Licensure and Permits | $150 to $500 | As required by law | As provided by law | Federal, state and local governmental entities |
| Additional Funds – three months[11] | $10,000 to $15,000 | Cash/open account as negotiated | Per various vendor terms | Vendors/employees |
| **TOTAL** | **$77,250 to $126,764** | | | |

[1] Advertising expense given is the minimum required. You may spend more on Advertising at your discretion. Local advertising rates will vary. This amount includes the estimate for the yellow pages advertising you are required to place.

[2] You will need a food truck pre-approved by us that is equipped with the Wing It On! mobile package and a commissary that is a 300-500 square feet real property space zoned as a commercial kitchen location

[3] You will need a commissary approved by us for food preparation and storage that is a 300-500 square feet real property space zoned as a commercial kitchen location.

[4] The signage estimated initial investment includes Wing It On! vehicle wrap and branding.

[5] Initial Inventory. You must purchase an initial inventory. Costs vary based on the size and location of the franchise, time of the season, suppliers and other related factors. We do not know if the amounts you pay for other inventory items are refundable. Factors determining whether other inventory items are refundable typically include the condition of the items at the time of return, level of us, and length of time of possession. You should inquire about the return and refund policy of the suppliers at or before the time of purchasing.

[6] We will provide you with a list of equipment, tools, and supplies that you must purchase to operate your Wing It On! Franchised Business. Some of the equipment, tools, and supplies may have to be purchased from approved suppliers.

[7] The premium for insurance coverage is typically due prior to the effective date of the coverage unless your insurance company offers installment payment terms. Insurance costs will vary depending upon the location, size, and capacity of your Franchised Business, the number of employees, the amount of your payroll, and other factors, and may change from time to time due to changes in insurance rates. You must purchase the following types and amounts of insurance and maintain as a minimum requirement.

- "all risk" property insurance coverage for assets of the franchise;
- workers' compensation insurance and employer liability coverage with a minimum limit of $1,000,000 or higher if your state law requires;
- comprehensive general liability insurance with minimum liability coverage of $1,000,000 per occurrence, or higher if your state law requires;
- business interruption insurance in the amount of $100,000;
- automobile liability insurance of at least $500,000 (for Food Truck Franchises), or higher if your state law requires.

The insurance will not be limited in any way because of any insurance we maintain. Maintenance of the required insurance will not diminish your liability to us under the indemnities contained in this Agreement. The policy or policies will ensure against our vicarious liability for actual and (unless prohibited by applicable law) punitive damages assessed against you.

We recommend that you consult with experience professionals such as an Insurance Agent and Attorney to determine the type of insurance needed and the proper amounts of coverage.

We may require you to increase the minimum limits of and additional types of coverage in the future as a business practice and to ensure any compliance or best practices as determined solely by us.

The insurance required will insure and indemnify and hold harmless.

We recommend that you consult with experience professionals such as an Insurance Agent and Attorney.

We may require you to increase the minimum limits of and additional types of coverage in the future as a business practice and to ensure any compliance or best practices as determined solely by us.

The insurance required will insure and indemnify and hold harmless us, you, and our respective subsidiaries, affiliates, owners, officers, directors, partners, members, employees, servants, and agents against any loss, liability, products liability, personal injury, death, or property damage that may accrue due to your operation of the Franchise. Your policies of insurance will contain a separate endorsement naming us, as an additional named insured.

[8] We currently require that you use Toast POS, Merchant Services & Enterprise Reporting. Additional requirements include lncentivio Mobile/Web Ordering, Gift Card Pooling, and Loyalty/ Rewards as well as Chowly for 3rd Party Delivery Integration, 360 Relay for Mystery Shopping Services (minimum 1 shop per month), and Restaurant 365 for Restaurant Back Office/Management. You must lease or purchase communication and information systems only from Wing It On! suppliers. You may not install, or permit to be installed, any devices, software or other programs not approved by Franchisor for use with the communication and information system. We may, from time to time, develop or authorize others to develop proprietary software programs for use in the Wing It On! System, which you may be required to purchase or license, and use. You may be required to execute any license, sublicense, or maintenance agreement and pay any applicable fees including maintenance, upgrade and support fees required by us or any other approved licensor or approved supplier of such proprietary software programs.

[9] Travel expenses for training and support assume one to three attendees.

[10] Professional fees include charges for an accountant to assist you in setting up your books and an attorney to review the franchise, lease and other agreements you may enter into in starting the business. Rates charged by these professionals vary significantly, and you should ask for an estimate and fee agreement in advance.

[11] Additional funds include amounts you will need for vehicle operation, employee salaries, office supplies, and operating expenses for the first 3 months of operation. In formulating the amount required for additional funds, we used our experience in operating our own Wing It On! Businesses, knowledge gathered from field experience with franchisees, and our general knowledge of the industry and the suppliers that service it. These figures are estimates, and we cannot guarantee that you will not have additional expenses to start and operate your business. The actual amount you need will depend on many factors, including how closely you follow our methods and procedures, the size of your operation, the amount of business you generate, costs in your market area, local economic conditions, the local market for our services, the prevailing wage rate, competition, and your management skill, experience, and business acumen and any unforeseen impacts. You may also incur expenses for business license fees, legal fees, accounting fees, local permits, and operating authorizations necessary to start your business, which may vary considerably from one area to another.

These tables estimate your initial start-up expenses. These figures represent estimates based upon our experience and the experience of our licensees and estimated costs provided by authorized suppliers and vendors. We do not guarantee that you will not have additional and/or different expenses than those we have identified in this table. Your actual costs will depend upon many factors, including for example how well you follow execute, your business skill and experience, local economic conditions, the local market for your products, the location and condition of your franchise premises, the prevailing wage rates, competition, and your sales levels during the initial period.

You should review these estimates with your business advisors and professionals with expertise in all areas before you decide to purchase the franchise or to make any expenditure.

We do not offer direct or indirect financing to you for any items.

C. Area Development Restaurant

If you desire to purchase additional territories and qualify for Area Development Addendum, your additional estimated initial investment will be as follows.

**YOUR ESTIMATED INITIAL INVESTMENT**

| Type of Expenditure | Amount | Method of Payment | When Due | To Whom Payment is Made |
|---|---|---|---|---|
| Initial Investment to Open Initial Restaurant Franchise, less Initial Franchise Fee (See 7A Chart) | \$180,500 to \$410,000 | As Arranged | As Arranged | Varies |
| Area Development Fee [1] | \$52,500 (Two Restaurants)<br><br>\$67,000 (Three Restaurants) | Lump Sum | Area Development Fee is due in full upon execution of the Area Development Addendum | Us |
| **TOTAL** | \$233,000 to \$462,500 (Two Restaurants)<br><br>\$247,500 to \$477,000 (Three Restaurants) | | | |

[1] If you desire and qualify for more than one Territory, the Area Development Fee is \$30,000 for the first Restaurant franchise, \$22,500 for the second Restaurant franchise, and \$14,500 for each subsequent Restaurant franchise thereafter. The upper range of the Area Development Fee (\$67,000) is for a total of 3 Restaurant Franchises, and the lower range is for a total of 2 Restaurant franchises. We do not finance any the Area Development Fee. The Area Development Fee includes the Initial Franchise Fee for the first Restaurant.

D. Area Development Food Truck

If you desire to purchase additional territories and qualify for Area Development Addendum, your additional estimated initial Investment will be as follows.

**YOUR ESTIMATED INITIAL INVESTMENT**

| Type of Expenditure | Amount | Method of Payment | When Due | To Whom Payment is Made |
|---|---|---|---|---|
| Initial Investment to Open Initial Franchise, less Initial Franchise Fee (See 7B Chart) | $62,250 to $111,764 | As Arranged | As Arranged | Varies |
| Area Development Fee [1] | $30,000 (Two Food Trucks)<br><br>$45,000 (Three Food Trucks) | Lump Sum | Area Development Fee is due in full upon execution of the Area Development Addendum | Us |
| **TOTAL** | $92,250 to $141,764 (Two food trucks)<br><br>$107,250 to $156,764 (Three food trucks) | | | |

[1] If you desire and qualify for more than one Territory, the Area Development Fee is $15,000 for the first food truck franchise, $15,000 for subsequent food truck franchises, The upper range of the Area Development Fee ($45,000) is for a total of 3 food truck Franchises, and the lower range is for a total of 2 food truck franchises. We do not finance any the Area Development Fee. The Area Development Fee includes the Initial Franchise Fee for the first food truck.

## ITEM 8. RESTRICTIONS ON SOURCES OF PRODUCTS & SERVICES

We will lend you a copy of our Operations Manual at the mandatory training program described in Item 11 below. We may amend the Operations Manual, including changes that may affect minimum requirements for your franchise operations. You must strictly adhere and follow the requirements of the Operations Manual and as it may be amended. The Operations Manual is confidential and our exclusive property. You also agree that it is a confidential and proprietary document that cannot be shared or reprinted without our consent. You agree that failing to safeguard the Operations Manual and similar documents, knowledge and alike can cause irreparable damage to the brand. You also acknowledge that by failing to follow the Operations Manual may cause irreparable harm to us. You will carry out immediately all changes needed to remedy noncompliance and at your cost unless we otherwise specify. Failure to do so, could result in a breach to our agreement and your right to the franchise. From time to time we may reasonably designate changes and/or minimum standards for operations and designate guidelines, as specified in the Operations Manual at our sole discretion.

The Operations Manual contains the Wing It On! proprietary information, trade secrets, go to market strategy, Ecosystem and related specifications, standards, build-out, and furnishing requirements, co-branding requirements, operating procedures, accounting and bookkeeping methods, marketing programs and ideas, advertising layouts, advertising guidelines, operational requirements, public relations guidelines, service guidelines and other guidelines, standards, processes, operational procedures, intellect, business and trade secrets that we require to be kept confidential, safeguarded at all times, and followed without exception to maintain compliance with your franchise award.

You must purchase an initial inventory of all supplies needed before beginning operations of your Wing It On!, and continually purchase supplies and products on an ongoing basis from only authorized suppliers and as needed based upon usage, delivery times and alike. Failure to comply with our supply and vendor requirements can cause harm to us, your business, customers and the franchise system and lead to the termination of this agreement, your rights and a like under this agreement including your right to continue to operate a franchise. Furthermore, you acknowledge the risk of harm or potential harm and importance of compliance and our obligation to seek immediate relief and remedy and entitlement to any cost or damages caused by your non-compliance.

You must also purchase all advertising materials from us, our affiliates, or our approved suppliers, to again ensure the integrity of the brand, uniformity, throughout the system, compliance, and obligation if any to suppliers and vendors and to uphold the quality of the advertising. Any equipment, products, inventory or other items that bear the Wing It On! logo or have the words Wing It On! in them or that are associated with the operation on your Wing It On must be bought only from an approved supplier or us. You acknowledge and agree that failure to comply, can lead to irreparable harm to us and the system, and that this agreement and your rights to operate a Wing It On franchise may be immediately terminated.

You must purchase your furniture, equipment, including computer equipment, inventory, and signage and a like under the specifications of the Wing It On! Operations Manual. These specifications include standards and specifications for the appearance, quality, price, performance, and functionality. These standards and specifications are based on our affiliate's experience in operating business of the type we are franchising and through research and testing in our affiliate's business. We reserve the right and may communicate our standards and specifications directly to suppliers who wish to supply you with furniture, fixtures, equipment, inventory, and signage under the specifications and to change such specification, furniture, equipment, infrastructure, inventory, signage and other without limitation from time to time and as we deem needed. We communicate our standards and specifications to you when we evaluate your proposed location for the franchise and during training before you conduct your grand opening advertising, during on-site opening assistance, during periodic visits to your franchise location and through the Operations Manual (including periodic bulletins). We will periodically issue new standards and specifications (if any) through written notices or via the Internet. While we have created standards and specifications for the development of your franchise, and while we have designated some vendors and suppliers, we may not have designated all vendors and suppliers at the time of the issuance of this Disclosure Document and reserve the right to add, delete, change, or enhance our vendor and supplier list(s).

The actual amount of purchases and costs may vary. The amount that you pay to any approved supplier to purchase your equipment and infrastructure packages may be refundable only to the extent negotiated with such approved supplier.

All specifications that we require of you and lists of equipment and approved suppliers will be included in the Operations Manual and be amended from time to time. We will upon request provide them to approved suppliers and vendors seeking approval. We will use our experience and may rely on the experience of others to change and modify specifications to maintain the integrity, quality and competitiveness of our franchise system.

With advance written notice, you may request our approval to obtain products, equipment, supplies, or materials from sources that we have not previously approved. We may require you to give us sufficient information, photographs, drawings, samples, and other data to allow us to determine whether the items from these other sources meet our specifications and standards. These specifications and standards will relate to quality, durability, value, cleanliness, composition, strength and the suppliers' capacity and facility to supply your needs in the quantities, at times, and with the reliability and support infrastructure necessary for efficient operation. We may require that samples from any supplier be delivered to a designated independent testing laboratory or us for testing before approval and use. We at our sole discretion may reject or approve any supplier that can meet or exceed our quality control requirements and standards, for a reasonable fee, to produce and deliver Wing It On! products to you but to no other person. Our confidential requirements, systems, and formulas will be revealed to potential suppliers only after we have received reasonable evidence that the proposed supplier is trustworthy and reputable; has the capacity to consistently follow our standards, requirements, and testing procedures; will maintain the confidentiality of the designs, systems, and formulas; and will adequately supply your reasonable needs. We will not unreasonably withhold approval of a supplier you propose should it meet our requirements. We will notify you in writing of the approval or disapproval of any supplier you propose within 30 days of receiving written notice from you of your request for approval.

We and our affiliate may derive revenue from providing products to you. During 2022, we did not directly derive any revenue from required franchisee purchases other than initial franchise fees. We and our affiliate may also receive rebates from suppliers and vendors that provide products to you. In fiscal year 2022, our predecessor received rebates in the amount of $38,456 from Wing It On! Franchisee vendors and suppliers of required franchisee purchases.

None of our officers, directors, or managers have an interest in any of the Wing It On! approved or designated vendors or supplier.

We estimate that approximately 80% assuming the estimated minimum initial costs to begin operations and other financial obligations are within the ranges described in Item 7 of this disclosure document, the proportion of your purchases and leases of goods and services from approved suppliers or of products that meet our specifications to be approximately 10% to 20% of all the purchases and leases in establishing your Wing It On! Franchised Business and approximately 10% to 20% of your ongoing costs of operating your Wing It On! Franchised Business.

You are required to use approved accounting, technology and database management systems. It is recommended that you retain the services of a qualified accountant or bookkeeper and/or utilize an accounting software such as the latest version of QuickBooks.

You are required to purchase All Kitchen Equipment, Furniture & Smallwares from Restaurant Equipment Paradise or Trimark, uniforms must be purchased from an approved online retailer, which is currently PromoCentric or the Wing It ON Pro Shop. Public relations support/services must be purchased from All Points Public Relations. Furthermore, you are required to engage All

Points Public Relations for your grand opening and public relations support and for a period of 90 days as post launch Public relations and Marketing support. For a minimum of 12 months post-launch, you are required to use our designated vendor for local marketing, which is currently LSM. You are required to purchase your outdoor signage from C&C Signs. However, if you obtain our written approval, you may use a local sign supplier. Furthermore, Prestige Farms is an approved supplier of poultry for our franchisees in the Southeast United States.

You are required to use our required Point of Sale system and software and other tech infrastructure and services only. We currently require that you use Toast POS, Merchant Services & Enterprise Reporting. Additional requirements include lncentivio Mobile/Web Ordering, Gift Card Pooling, and Loyalty/ Rewards as well as Chowly for 3rd Party Delivery Integration, 360 Relay for Mystery Shopping Services (minimum 1 shop per month), and Restaurant 365 for Restaurant Back Office/Management. We reserve the right to change, remove or add additional vendors as required and at our sole discretion. You must comply with all changes. You acknowledge that failure to comply with the requirements and any changes for systems, software, infrastructure and providers and a like may result in the termination of this agreement and your right to operate a Wing It On franchise as our sole discretion.

There are no other obligations for you to purchase or lease according to specifications or from approved suppliers. Except as explained above, we have no required specifications, designated suppliers or approved suppliers for goods, services or real estate related to your franchise business.

We do not provide a material benefit to franchisees based on a franchisee's purchases of particular products or services or the use of We have not yet entered into any formal purchasing or distribution cooperatives related to our franchise system, but we reserve the right to do so. In the future, we hope to create and augment the effectiveness of cooperatives for the purchase of materials and the provision of advertising, for the benefit of the Wing It On! Franchise system.

You may not sell any products, services or activities other than those specifically recognized and approved by us as part of our franchise system without our prior written approval.

## ITEM 9. FRANCHISEE'S OBLIGATIONS

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

| Obligation | Section in Franchise Agreement ("FA") and Area Development Addendum ("ADA") | Disclosure Document Item |
|---|---|---|
| a. Site selection and acquisition or lease | Article 1 | Items 6 & 12 |
| b. Pre-opening purchases and leases | Article 2,4,5 and 7 | Items 7 & 8 |
| c. Site development and other pre-opening requirements | Article 2,3, 4 and 7 | Items 7, 8 & 12 |
| d. Initial and ongoing training | Article 3 | Items 6 & 11 |
| e. Opening | Article 2, 4, 5 and 13 | Item 11 |

| Obligation | Section in Franchise Agreement (“FA”) and Area Development Addendum (“ADA”) | Disclosure Document Item |
|---|---|---|
| f. Fees | Article 8 | Items 5, 6, & 17 |
| g. Compliance with standards & policies/Operations Manual | Article 4, and 5 | Items 11 & 17 |
| h. Trademarks and proprietary information | Article 7 and 9 | Items 13, 14, & 17 |
| i. Restrictions on products and services offered | Article 4, and 5 | Items 8, 12, 13, 16 & 17 |
| j. Warranty and customer service requirements | Article 4 | Item 11 |
| k. Territorial development and sales quotas | Not Applicable | Items 7 & 12 |
| l. Ongoing product & service purchases | Article 4 and 5 | Items 7 & 8 |
| m. Maintenance, appearance and remodeling requirements | Article 4 and 5 | Items 7, 11 & 17 |
| n. Insurance | Article 15 | Item 7 |
| o. Advertising | Article 6 | Items 9 & 11 |
| p. Indemnification | Article 18 | Item 6 |
| q. Owner’s participation/ management/ staffing | Article 3, 4, 10, and 11 | Items 11, 15 & 17 |
| r. Records and reports | Article 9 and 19 | Items 6, 11 & 17 |
| s. Inspections and audits | Article 5 and 9 | Items 6, 11 & 17 |
| t. Transfer | Article 12 | Item 17 |
| u. Renewal | Article 13 | Item 17 |
| v. Post-termination obligations | Article 14 | Item 17 |
| w. Non-competition covenants | Article 9 | Item 17 |
| x. Dispute resolution | Article 19 | Item 17 |
| y. Other | Not applicable | Not applicable |

## ITEM 10. FINANCING

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

## ITEM 11. FRANCHISOR’S ASSISTANCE, ADVERTISING COMPUTER SYSTEMS AND TRAINING

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

### Pre-Opening Obligations

Before you open your franchise, we will:

- Designate Franchise Territory in the Franchise Agreement and Exhibit 1 to the Franchise Agreement, before the Franchise Agreement is executed (Franchise Agreement, Article 1). If you are simultaneously purchasing multiple franchises, we will designate your

Designated Territory and Development Schedule that establish where and when you must open your franchises (Area Development Addendum, Sections 2 and 3).

- We provide building specifications for your real property space; we review your design plans; we provide specifications for your food truck; we provide branding specifications for your mobile vehicle and approve the Premise for your Restaurant Franchise location or Commissary and Food Truck for your Food Truck Franchise, if any (Franchise Agreement, Article 1).

- We provide you with the standards, specifications, and a list of designated and approved suppliers for all décor, equipment, signs, fixtures, opening inventory, supplies, products, and other materials you will need to operate the franchised business.

- We provide a listing of all products and services that your Franchised Business may offer (Franchise Agreement Article 4).

- If requested, provide reasonable advice and input related to your selection of a site for the Franchise Premises or commissary, including up to 14 days of support and assistance. Our rendering such services is based upon our availability (Franchise Agreement Article 1) and at our sole discretion. Support beyond the 14-day period, may result in additional fees, billed at up to a maximum of $200 per hour. These charges are still billable should you abandon your site search or pursuit of a franchise location or if you site selection and ability of lease goes beyond our agreed upon timelines as outlined in our agreement.

- Provide initial orientation and training to you and your designated manager(s). (Franchise Agreement, Article 3).

- May assist you in complying with local laws and regulations to enable you to operate your franchised business.

- Loan you a copy of the Operations Manual. (Franchise Agreement, Article 4). The table of contents for our Operations Manual as of the Date of this Disclosure Document is attached hereto as EXHIBIT G.

- Give you a list of any approved or designated suppliers. (Franchise Agreement, Article 5).

***Time to Open***

<u>Individual Unit Franchise</u>

The typical length of time between the signing of the Franchise Agreement or first payment of consideration for the Franchise and the opening of the Franchise for business is between 180 days and 1 year.

We do not select your site. Your site is subject to our approval (Franchise Agreement, Article 1). We generally do not own or lease the premises or Site to franchises for the operation of the

Franchised Business.  To obtain our approval, you must provide all information and documents about the site that we require.  The factors we consider in approving Restaurant Franchise sites are general location and neighborhood, competition, trade area demographics, traffic patterns, parking, size, anchor tenant, property condition, physical characteristics of existing buildings, and lease terms.  The factors we consider in approving Food Truck Franchise sites are appearance, size, and branding food tuck and the general location, traffic patterns, parking, size, physical characteristics of existing buildings, and the lease terms. The time limit for us to approve or disapprove your proposed site is 30 days after you submit all of our required documents and information. We do not typically own or lease to you the site where your Wing It On! Business is located.

If you do not secure a lease for a Premise or Commissary and Food Truck that we have approved, within 180 days and/or you do not open for business within 1 year from the executed franchise agreement, we may terminate your franchise agreement, and your initial franchise fee will be forfeited. You also acknowledge that We have invested time and resources and have reserved the franchise area for you and may have suffered a business loss. We have a right to fully realize any associated costs and future revenues associated with your franchise and You acknowledge that the Franchise has the right to collect those franchise fees for the length of the agreement. The calculations of those fees due will be based upon the agreement and a reasonable assumption of franchise fees due for the entire term of your agreement and that We are entitled to those fees and recovery of expenses associated with your agreement.

You are expected to complete the mandatory training program and commence your franchise business operations prior to opening your Franchise and within 180 days of approvals.  Factors that may affect this time are finding and negotiating for the Franchise Premises, arranging for the training session and attending the training session, equipping the Franchise, obtaining initial equipment, financing, and business permit requirements, and your personal operational needs. Any failure caused by war or civil disturbance, a natural disaster, shortages or other events beyond your reasonable control will be excused for a reasonable time under the circumstances as determined by us. We will not provide any assistance with conforming the premises to local ordinances and building codes. You will be responsible for obtaining any required permits. You will also be responsible for any hiring and training of employees.

If the commencement of operation is not fulfilled, we may terminate the Franchise Agreement. We may retain the Initial Franchise Fee. You then are required to return any products or materials you have obtained from us.  (Franchise Agreement, Article 2).

Area Development for Multiple Franchise Purchase

If you simultaneously purchase multiple franchises and sign the Area Development Addendum (Exhibit 4 to Franchise Agreement), then the time to open each franchise will be determined from the date that you sign the Area Development Addendum, and according to the following schedule below (the “Opening Date”):

| Franchise # | Time to Open |
|---|---|
| 1st | 12 Months |
| 2nd | 18 months |
| 3rd | 24 months |
| 4th | 30 months |
| 5th | 36 months |

If you have not opened the franchise and commenced operation of the franchise by the Opening Date set forth above and in the Area Development Addendum, we may terminate the relevant franchise agreement, and no portion of any payment you paid to us will be refundable or returned to you.

Equipment, Signs, Fixtures, Opening Inventory and Supplies

We will provide you with contact information for our approved suppliers for equipment, signs, fixtures, inventory, and supplies. We will provide you with written specifications for all these items. We do not deliver or install any of these items.

Operations Manual

The Wing It On! Operations Manual is confidential and remains our property. It contains mandatory and suggested specifications, standards, and procedures. We may modify the Operations Manual, but the modifications will not alter your basic status and rights under the Franchise Agreement if you are in good standing and compliance with the operations manual, franchise and our requirements. The revisions may include enhancements, changes and developments for supplies, products, services, equipment, sales, marketing, operations techniques, and other items and procedures used for the operation of the franchise. As of the date of this disclosure document, the Operations Manual consists of approximately 127 pages.

***Training***

Mandatory Initial Training

Before you commence your franchise business operations, we will provide you training. The training is mandatory and must be completed by all franchisees and their designated managers (if any). If the franchise is managed by any persons other than you, you must notify us and share the identity and a bio of each of the manager(s). The training program that lasts approximately 7 days. The initial training program is held at our offices or an affiliate's location, most likely in Waterbury, CT or another location that we designate. (Franchise Agreement, Article 3). The cost of the initial training program is included in the Initial Franchise Fee. You are responsible for all other expenses, including but not limited to accommodations, travel, room, board and wage expenses during this period are expenses incurred and solely funded by you.

If you simultaneously purchase multiple franchises and sign the Area Development Addendum, we have no obligation to provide the initial franchise training program to you, your designated manager(s), negotiators, or client managers, beyond the first initial training. (See Area Development Addendum Section 5 and Exhibit 4 to Franchise Agreement).

**TRAINING PROGRAM***

| Subject | Hours of Classroom Training | Hours of On-The-Job Training | Location |
|---|---|---|---|
| Finding & Leasing a Location | 1 | 0 | Waterbury, CT or another location that we designate |
| Accounting & Insurance | 2 | 0 | Waterbury, CT or another location that we designate |
| Design & Décor | 0 | 1 | Waterbury, CT or another location that we designate |
| Construction & Equipment | 0 | 1 | Waterbury, CT or another location that we designate |
| Signage | 0 | 1 | Waterbury, CT or another location that we designate |
| Preparing to Open | 2 | 1 | Waterbury, CT or another location that we designate |
| Personnel & Training | 3 | 0 | Waterbury, CT or another location that we designate |
| Items Offered for Sale | 2 | 2 | Waterbury, CT or another location that we designate |
| Preparation of Products | 2 | 2 | Waterbury, CT or another location that we designate |
| Paperwork & Controls | 2 | 0 | Waterbury, CT or another location that we designate |
| Evaluation & Compliance | 2 | 1 | Waterbury, CT or another location that we designate |
| Cleaning & Maintenance | 1.5 | 1.5 | Waterbury, CT or another location that we designate |
| Security & Safety | 1 | 0 | Waterbury, CT or another location that we designate |
| Promoting & Marketing | 2.5 | 2.5 | Waterbury, CT or another location that we designate |
| **Total** | **21** | **13** | |

*The Training Schedule may be amended.

The training program is provided primarily under the direction of Richard Gentry and Kyle Sampson. Richard Gentry has been a corporate trainer/kitchen specialist for us and our predecessor since July 2022. He was previously employed as General Manager of the Wing It On corporate store in Raleigh, NC from August 2020 to June 2022. Prior to Wing It On!, Richard has over 14 years of experience in restaurant operations and training. Kyle Sampson has been a training and operations specialist for us and our predecessor since January 2020. From January 2018 through September 2019, Kyle was the general manager of Wing It On! in Manchester, NH. Prior to Wing

It On, Kyle has more than 4 years of restaurant operations, new store launch, and training experience. Several other instructors of ours assist from time to time on different subjects in the training program. All instructors and substitute instructors will have a minimum of one year of experience in the Wing It On! System or the subject matter on which they provide training and instruction.

It is recommended that you schedule a training session for yourself and the designated manager, if any, at least 45 days in advance of a session to secure a seat. Training may be scheduled and held on an "as needed" basis and may have limited available seats. You acknowledge that the initial training program must be completed no later than 4 weeks before the scheduled date of the opening of your franchise, and that the training is a prerequisite to your franchise opening.

You and your manager must complete the training program and develop skill, knowledge and capabilities of running a Wing It On! store. Failure to participate or display the appropriate skills and knowledge may lead to the delay of your opening, the requirement for additional training at your own expense and potentially the termination of the Franchise Agreement. We at no time and for any reason and you acknowledge, that we will not be liable for any of your costs or expenses if the Franchise Agreement is terminated for non-participation in the training or satisfactory completion.

We may at any time during the initial training terminate the training and our obligations for training should an attendee not fully participate, and/or have disruptive behavior, poor attendance, inadequate performance or other reasons. Upon notice, our obligations to train that individual will be deemed to have been discharged and the burden for rescheduling or fulfilling the training will be your responsibility and you acknowledge that you will not open your store without having meet the training requirements for all personal.

We may, at our discretion or upon your request, provide other supervision, training, assistance and services before and/or after the opening of your franchise; such as identifying the need for a coach or trainer, any on-site support during the initial few months of operation at your costs.

***Our Obligations DURING the Operation of Your Franchise Business***

After you open your franchise, we will:

- At your option and upon not less than 30 days prior written notice s, you may request and receive additional training at our training location or at other agreed upon location. All expenses for this additional training will be incurred and billed to you, including but not limited to the instructor, your travel, lodging, meals, compensation and wages due and our reasonable fees, costs and expenses to provide the training. The types and areas of training as well as the duration of training will based upon your needs and your request for additional training. You will not receive any compensation for services rendered by the trainee during this or any other training. (Franchise Agreement, Article 3).

- From time to time we may provide training programs, seminars that may require that you or your managers attend. These programs may be held at locations chosen by us or by remote tools such as a screen-share, webinar, etc. You will be responsible for paying all travel, living, and other expenses and any compensation for any employees attending these programs. (Franchise Agreement, Article 3). In addition, we may deem it appropriate or necessary to provide additional training for your manager(s) and employees at your franchise location. If so, you and your team will agree to fully participate in and complete the training. We may charge a reasonable training fee based upon the method, and facility for these additional training sessions.

- Administer our advertising program and formulate and conduct national and regional promotion programs.

- Inspect the franchise and conduct activities to ensure compliance with the terms of the Franchise Agreement and Operations Manual to assure consistent quality and service throughout our franchise system.

- We may provide other supervision, assistance or services although we are not bound by the Franchise Agreement or any related agreement to do so. These may include, among other things, advertising materials, literature, additional assistance in training, promotional materials, bulletins on new products or services and new sales and marketing developments and techniques.

***Advertising***

We may promote our franchises through television, print, internet, social media and public relations and other publications and mediums. This may be done locally and regionally. We may use in-house marketing and may use regional or national advertising and PR agencies. We may provide to you advertising materials and point of sale aids for you to use in any additional local advertising and promotions you conduct. We will use your Marketing Fund Contribution to place advertising in geographic areas, in media, at times and using products and services We deem to be in the best interest of our franchisees and our franchise system.

We do not have an advertising council at this time.

You are not required to participate in any local or regional advertising cooperative ("Cooperative"), although we reserve the right to require it, should We determine that it is in the best interest of the Franchise. If we establish a local or regional advertising Cooperative, all franchisees in the designated geographical area must participate in the Cooperative. Your Local Advertising Contribution will be paid to the Cooperative, and Cooperative contributions will not exceed the Local Advertising Contribution unless a majority of the Cooperative's members vote to spend a greater amount on advertising. Each Cooperative will be organized for the exclusive purpose of administering regional advertising programs and developing, subject to our approval, standardized advertising materials for use by the members in local advertising. Each Cooperative must operate from written governing documents which will be made available to franchisees. Each year, every operating Cooperative will prepare financial statements which will be made available to franchisees. No promotional or advertising plans or materials may be used by a Cooperative or furnished to its members without our prior approval.

Marketing Funds

We will administer the funds we receive for Marketing Fund Contributions and direct all regional and national programs with sole discretion over the creative ideas, materials, endorsements, placement, and allocation of overhead expenses. We may use the Marketing Fund Contributions to maintain, administer, direct, prepare and review national, regional or local advertising materials and programs and public relations efforts, as we, in our sole discretion, deem proper. We are under no obligation to administer the use of Marketing Fund Contributions to ensure that expenditures are proportionate to contributions of franchisees or any given market area or that any franchise benefits directly or proportionately from the development or placement of advertising. We shall not be obligated to expend all or any part of the Fees we receive during any specific period.

You are required to participate in the Marketing Fund. Other franchisees may be contributing different amounts than You to the Marketing Fund. We control the Marketing Fund. The Marketing Fund is not audited. Franchisees that contribute to the fund may obtain a copy of the unaudited financial statements of the fund after April 30th of each year upon written request to us.

In the future, each of our affiliate owned Wing It On! locations offering products and services similar to our franchisees will make Marketing Fund Contribution contributions equivalent to the contribution percentage required of our franchisees.

Any Marketing Fund Contributions not used in the fiscal year in which they were contributed will be applied and used for advertising and marketing expenses in the following year.

We do not use any of the Marketing Fund Contributions to advertise our franchise opportunity, although we may occasionally place notices that franchises are available on advertising materials and on the internet or in social media.

During the last fiscal year 2022, our predecessor collected $55,387 from Marketing Fund Contributions. Our predecessor's Advertising Fund expenditures were $58,019 and the contributions collected were spent as follows: Ad Agencies/PR 72.0%, Media Placement 0%, Internet Ads 18.0%, Promotional 2.7%, Solicitation 2.2%, Administrative 0.1%, Other, including photography, graphic design, and marketing software 5.0%.

While advertising materials may note that franchises are available from us, no Marketing Fund Contributions or assessments we collect from our franchisees are used for advertising that is principally a solicitation for the sale of franchises.

Local Advertising Contribution

You must pay us 1.5% of your monthly Gross Revenue which we will spend to advertise and promote the Franchise in your local market area (the "Local Advertising Contribution"). We will use your Local Advertising Contribution to place advertising in your geographic area, in media, at times and using products and services We deem to be in the best interest of your Wing It On!.

Promotional Materials

You agree to submit to us all advertising copy and other advertising and promotional materials before you use them in any local advertising you conduct. You will not use any advertising copy or other promotional material that has not been approve. You specifically acknowledge and agree that any methods of advertising and marketing such as collateral, artwork, trade and service marks, branding, signage, social media, and web sites will be deemed "advertising" under the Franchise Agreement and will be subject to (among other things) our pre-approval and the restrictions and requirements outlined in the Operations Manual or subsequent communications including and not limited to this document and agreement. You agree that failure to comply with preapprovals and the usage of non-approved advertising, promotion and marketing materials may result in irreparable harm to us and the system and or resulting in the termination of this agreement and your franchise rights. We also reserve the right to seek any damages and recover any costs associated with noncompliance of the above.

Computer Systems

We will require you to have computer equipment and systems that meet our specifications. We currently require that you use Toast POS, Merchant Services & Enterprise Reporting. Additional requirements include lncentivio Mobile/Web Ordering, Gift Card Pooling, and Loyalty/ Rewards as well as Chowly for 3rd Party Delivery Integration, 360 Relay for Mystery Shopping Services (minimum 1 shop per month), and Restaurant 365 for Restaurant Back Office/Management. These providers and the infrastructure, software and services may change should we deem it reasonably necessary and at our sole discretion. You must lease, purchase or otherwise acquire, from only approved sources and providers and at your expense. You may be required to execute any license, sublicense, or maintenance agreement, install, and pay any applicable fees for maintenance, updates, upgrades, and support required by us or any other approved licensor or approved supplier of such proprietary software programs. We will give you a minimum of 30 days' written notice, describing the hardware, software and upgrading requirements of the system. You are then required and obligated to install, enhance, or augment such equipment, hardware, software, system or infrastructure including for instance the computer and point of sale systems initially. We estimate annual costs of any optional or required maintenance updating, upgrading, or support contracts for the cash register or computer systems to be $500 to $1,000.

You must use our proprietary and/or recommended software and reporting systems to ensure consistency and the integrity and quality of infrastructure throughout the franchise system. We may require you to use an information processing and communication system that is fully compatible with any program or system which we, in our sole discretion may employ. If we require certain systems, you must record and transmit all financial information using this system. We may l at our discretion change standards for reporting to provide an effective technology for the entire system. We will have full ability to poll your data, system and related information by means of direct access whether in person or by telephone/modem. We will have independent access to the information that will be generated and stored in your information processing and communication system. We will have access to all of your data, and there will be no contractual limitation on our right to access your information and data. We will not implement any electronic system that will disrupt or damage your electronic system, and our access will be read-only.

You must purchase a point of sale system & digital menu control system. The cost of these systems is between $3,500 and $5,000. We estimate annual costs of any optional or required maintenance updating, upgrading, or support contracts for the cash register or computer systems to be $ $1,250 and $2,000. E-Problem Disclaimer: Computer systems are vulnerable in varying degrees to computer viruses, bugs, power disruptions, communication line disruptions, Internet access failures, Internet content, date related problems and attacks by hackers and other unauthorized intruders ("E-Problems"). We cannot guarantee that you will not be affected but may take steps to minimize E-Problems will not materially affect our business, but again we do not certify or guarantee that information or communication systems that we or others supply will not be vulnerable to E-Problems. It is your responsibility to protect yourself and your franchise from E-Problems. You should also take reasonable steps to verify that your suppliers, providers, lenders, landlords, customers and governmental agencies on which you rely, have reasonable protection from E-Problems. This may include taking reasonable steps to secure your systems (including firewalls, password protection, and anti-virus software and systems, UPS systems and etc.), research and comply with best practices and with industry recommendations for software, hardware, security, network and/or other, and to provide backup and disaster recovery systems. The data that will be stored on the point-of-sale system will include the customer's name, phone number, address, and email. No credit card information is stored within the point-of-sale system.

## ITEM 12. TERRITORY

You will not receive an exclusive territory. You may face competition from other franchisees, from outlets that we own, or from other channels of distribution or competitive brands that we control.

Your Wing It On! Franchised Business will operate from a real property Restaurant or mobile Food Truck (Site). We approve the Site for your Franchised Business.

You may relocate the Site of your Franchised Business so long as the new Site meets our then current Site requirements, you have our approvals, and you reimburse us for any costs and expenses we incur in your relocation. Currently, for relocation and Site selection, the Site must be approved by us; we will provide building specifications for your real property space; we review your design plans; we provide specifications for your food truck; we provide branding specifications for your mobile vehicle. As a relocation fee, you are obligated to reimburse for any cost and expense that we incur reviewing or approving your relocation.

Subject to the Franchise Agreement Terms, your Restaurant Franchise will be granted a 5-mile radius from your approved location, as protected territory, and if you purchase a Food Truck Franchise, you may be restricted to operating your mobile franchise within a specific geographic area (such as, cities, counties, states, zip code areas, etc.) known as your "trade area." Your trade area will be determined in the franchise agreement, and it does not guarantee any exclusivity to any such trade area. In the instances that you would like to attend an event in a protected territory of a Wing It On! brick and mortar franchise restaurant, that franchisee will have the first right of refusal to service the event. If the Wing It On! Franchise decides not to participate, you may be granted approval and may be required to distribute marketing materials or coupons and/or post-marketing signage in support of the local brick and mortar franchisee within the protected territory.

If one of these events requires registration and there are two Wing It On! Food Truck franchises operating in the trade area, then priority will be given first to the franchisee who has participated in the event in the past. If no franchisee has ever participated in the event than the first Food Truck Franchisee authorized to conduct business in that trade area that registers for the specific event prohibits all other Food Truck Franchisees from participating in that special event.

You do not have the right to use other channels of distribution such as the internet, catalog sales, telemarketing, or other direct marketing, to make sales outside of your Territory unless we give you prior written consent to serve another specified area where no other Wing It On! franchise or company-owned unit is located. If you are granted consent to service another specified area, you shall be obligated to a pay royalty fees and other fees to us for the services performed or products sold.

We promise and agree not to operate a business using the Wing It On! System and the Marks within the Territory or authorize anyone else to operate a business using the Wing It On! System and the Marks within the Territory during the term of the Franchise Agreement if you are complying with the Franchise Agreement and subject to these limitations. We are not obligated to ensure that no other franchise will conduct operations in your Territory. Although such activities are discouraged, we reserve the right to determine how to respond to any such situation. We do not and are not required to pay you any compensation for us or other franchisees soliciting or accepting orders in your Territory.

We reserve the right to limit your Territory as follows:

Own, acquire, establish and operate, and license others to establish and operate, businesses like the Franchised Business or substantially similar to the Franchised Business, whether under the Marks or other proprietary marks, outside the Territory.

Acquire a system of Competitive Businesses with units located within your Territory or outside the Territory.

Sell or franchise others to sell the services and products authorized for Wing It On! Franchised Businesses using the Marks or other trademarks, service marks and commercial symbols through alternate channels of distribution; venues; site or location models other than the model concepts of your Franchised Business; joint marketing with partner companies; direct mail; catalogue sales; internet sites; and co-branding strategies, pursuant to such terms and conditions as Franchisor deems appropriate.

Advertise, promote, market or sell goods or services using the Wing It On! Marks over the Internet, the World Wide Web or any other electronic network.

Offer and sell the services and products authorized for Franchised Business using the Wing It On! Marks or other trademarks, service marks and commercial symbols to Special Accounts.

Own, acquire, establish and operate, and license others to establish and operate, businesses like the Franchised Business or substantially similar to the Franchised Business, whether under the Marks or other proprietary marks, in Special Venues.

We nor our affiliates operate or have plans to operate or franchise others to operate a business selling the same goods or products under a different name or solicit customers within your Territory except as stated above.

Special Venues.

We or other franchisees or licensees may own, acquire, establish or operate businesses like the Wing It On! Franchised Business or substantially similar to the Franchised Business, whether under the Marks or other proprietary marks in any temporary or permanent venues where there is a captive audience and where the primary purpose is other than patronizing a Wing It On! business (referred herein as a "Special Venue"), in the way of examples, but not an exhaustive list: malls, entertainment and sports centers, military bases, transportation facilities, supermarkets, service stations, and carnivals within or outside of the Territory or Development Area.

Special Accounts

The Franchisor has the exclusive right to contract with customers whose offices, stores, plants, buildings, or other physical facilities are not confined to the territory of a single Wing It On! territory or the trading area of a single Franchise, Franchisor-owned or Affiliate-owned business (referred to herein "**Special Accounts**"). If Franchisor establishes a contract for facilities of a Special Account located in the Territory, Franchisor shall offer Franchisee the first option of providing the services to the Special Account at those facilities in the Territory at the prices and subject to the contract requirements negotiated by Franchisor with the Special Account. If Franchisee accepts the project, Franchisor will collect all amounts due from the Special Account and remit to Franchisee the amount due for products and services rendered Special Account, less the amount of Royalties and other fees due under this Agreement. All amounts collected from Special Accounts on Franchisee's behalf or by Franchisee from Special Accounts will be included in Franchisee's Gross Revenues for purposes of calculating Royalties other fees due under this Agreement.

If Franchisee declines to accept the project, Franchisor will have the unfettered right to fulfill the contract requirements to the Special Account in the Territory in any manner it deems suitable, including through another Wing It On! Franchisee, a Franchisor or Affiliate-owned business, or a third-party contractor. Additionally, if at any time a Special Account for any reasonable requests that services in the Territory be provided by someone other than Franchisee, Franchisor may revoke Franchisee's option or right to provide or continue to provide the services and may fulfill the contract requirements of the Special Account in the Territory in any manner Franchisor deems suitable.

If you are in good standing under the Franchise Agreement and otherwise meet our financial qualifications, you may request that we sell you another Wing It On! franchise. We reserve the right to determine and at our sole discretion to sell you another franchise or not. If you buy an additional franchise, it will be under the then-current form of Franchise Agreement and other applicable agreements that may be different from those described in this disclosure document.

Your Franchise Agreement does not give you any other options, rights of first refusal, or similar rights to acquire additional franchises within the territory or contiguous territories. We may establish another franchise or company-owned location in the Territory if you fail to comply with the Franchise Agreement. Except as disclosed in this Item, there are no other circumstances that permit us to modify your territorial rights.

Area Development Program

You will not receive an exclusive territory. You may face competition from other franchisees, from outlets that we own, or from other channels of distribution or competitive brands that we control.

If you sign an Area Development Addendum, your rights to the Development Area will be protected as set forth in the Area Development Addendum. The Development Area for Restaurant Franchises you are granted a 5-mile radius of the location of your Restaurant Franchise as protected territory, and if you purchase a Food Truck Franchise, you may be both entitles and restricted to operating your mobile franchise within a specific geographic area (such as, cities, counties, states, zip code areas, etc.) known as your "trade area." Your trade area will be determined in the franchise agreement, and it does not guarantee any exclusivity to any such trade area. The Development Area is determined as mutually agreed upon by you and us and set forth in the Area Development Addendum at the time of the signing of the Area Development Addendum.

While the Area Development Addendum is in effect, provided that you open and operate Wing It On! Franchised Businesses in accordance with the Development Schedule and the minimum number of Franchises that you have open and operating in the Development Area at any given time is not less than the minimum required pursuant to the Development Schedule, we will not operate, or license any person other than you to operate, a Wing It On! Franchised Business under the Marks and the System within the Development Area.

We reserve the right to own, acquire, establish and operate, and license others to establish and operate, businesses like the Franchised Business or substantially similar to the Franchised Business, whether under the Marks or other proprietary marks, outside the Development Area; acquire a system of Competitive Businesses with units located within your Development Area or outside the Development Area; sell the services and products authorized for Wing It On! Franchised Business using the Marks or other trademarks, service marks and commercial symbols through alternate channels of distribution, joint marketing with partner companies, direct mail, catalog sales, Internet sites, and co-branding strategies, pursuant to such terms and conditions as Franchisor deems appropriate; advertise, promote, market, or sell goods or services using the Wing It On! Marks over the Internet, the World Wide Web, or any other electronic network; offer and sell the services and products authorized for Franchised Business using the Wing It On! Marks or other trademarks, service marks and commercial symbols to Special Accounts; own, acquire, establish, and operate, and license others to establish and operate, businesses like the Franchised Business or substantially similar to the Franchised Business, whether under the Marks or other proprietary marks, in Special Venues.

We do not select the Site for any additional franchises under your Area Development Addendum, and we generally do not own the premises or lease sites the Franchised Businesses under the Area Development Addendum. We approve the Sites for each additional Franchised Businesses under the Area Development Addendum.

The typical length of time between the signing of the Franchise Agreement, or the first payment of consideration for the Area Development Addendum, and opening the franchised business varies, but you should be able to commence operation within an additional 9 months for each additional franchise business after signing as required by the Area Development Addendum. Factors affecting this time period include how long it takes to complete any modification of your Wing It On! Site, completion of financing arrangements, compliance with local ordinances and obtain permits, obtain and install equipment. If you fail to adhere to the Development Schedule, we may terminate the Area Development Addendum and all of your territorial rights will be eliminated. We otherwise will not change the size of your Development Area. Your Area Development Addendum does not give you any other options, rights of first refusal, or similar rights to acquire additional franchises within the territory or contiguous territories. If a default occurs under any Franchise Agreement, resulting in the termination of such Franchise Agreement, we may terminate your Area Development Addendum. However, a default under the Area Development Addendum is not cause for termination of any existing Franchise Agreement.

## ITEM 13. TRADEMARKS

Our principal Wing It On! mark has been filed with the Principal Register of the U.S. Patent and Trademark Office as follows:

| Mark | Registration Number | Registration Date |
|---|---|---|
| WING IT ON! | 5857222 | September 10, 2019 |
| W.i.Q. | 5300470 | October 3, 2017 |
| WING IT ON! WINGS • BURGERS • SALADS • WRAPS | 4267842 | January 1, 2013 |

For the registered trademarks above, we have filed all required affidavits with the Trademark Office.

We and our affiliate also claim common law rights to the Wing It On! names and related marks, logos, designs, and slogans, including without limitation the following logo:

WING IT ON!

We do not have a federal registration for the logo shown above or certain secondary trademarks. Therefore, these trademarks do not have many legal benefits and rights as federally registered trademarks.  If our right to use any of these trademarks is challenged, you may have to change to an alternative trademark, which may increase your expenses.

We will allow you to use these and all other trade names, trademarks, service marks and logos we now own or may in the future development for our franchise system.

There are not any pending infringement, opposition or cancellation proceedings regard our trademarks.

There are not any effective determinations of the U.S. Patent and Trademark Office, the trademark administrator of this state or any court or any pending material litigation involving principal marks that are material to the franchise.

We do not know of any prior rights or infringing uses that could materially affect the franchisee's use of the principal trademarks in this state.

There are not any agreements currently in effect that significantly limit the rights of the franchisor to use or license the use of the principal trademarks that are material to the franchise.

The trademark(s) are our exclusive property. You will immediately notify us of any infringement of, or challenge to, your use of the trademarks or any marks identical to or confusingly similar to the trademarks, including any claims of infringement or unfair competition.  While we will make reasonable efforts to protect your rights to use the trademarks, we will have sole discretion to take or not to take action, as we deem appropriate.  If we undertake the defense or prosecution of any litigation or administrative action involving you or any litigation or administrative action involving the trademarks, you agree to execute any and all documents and to do all acts and things that in the opinion of our counsel are necessary or advisable to carry out the defense or prosecution.  This may be done either in our name or in your name, as we will elect.  We will not be required to participate in your defense or indemnify you for expenses or damages if you are a party to an administrative or judicial proceeding involving the trademarks or if the proceedings are resolved unfavorably to you.  Instead, at any time, you will modify or discontinue use of any franchise names or trademarks or will use one or more substitute names or marks, if we are so direct in writing at any time.  Our sole obligation in this event will be to reimburse you your tangible costs in complying with our direction (i.e., the cost of changing signs, stationery, etc.).  Under no circumstances will we be liable to you for any other damages, costs, losses, rights or detriments related to any modification, discontinuance or substitution.  All obligations or requirements imposed upon you relating to the trademarks will apply with equal force to any modified or substituted names or marks.  You must follow our rules when you use the trademarks.  You may not use the trademarks in any manner we have not authorized in writing.

All goodwill associated with the trademarks, including any goodwill that might be deemed to have arisen through your activities, will accrue directly and exclusively to our benefit, except as otherwise provided by applicable law.

You may not use or give others permission to use the trademarks or any colorable imitation of them, combined with any other words or phrases.

We may change or modify any part of the trademarks at our sole discretion.  You will accept, use and protect, for the purposes of the franchise, all changes and modifications as if they were part of the trademarks at the time the Franchise Agreement is executed.  You will bear all costs and expenses that may be reasonably necessary because of these changes or modifications.  Under no circumstances will we be liable to you for any damages, costs, losses or detriments related to any of these changes or modifications.

## ITEM 14. PATENTS, COPYRIGHT & PROPRIETARY INFORMATION

We intend to affix a statutory notice of copyright to the Operations Manual, to most of our advertising products, to our training materials and our online tutorials, and to our paper and service products, and to all modifications and additions to them.  There are no determinations, agreements, infringements, or obligations currently affecting these notices or copyrights.  You have no rights to the copyrighted material.  You are granted the right and are required to use the copyrighted items only with your operation of the franchise during the term of your Franchise Agreement.

The Operations Manual is described in EXHIBIT G.  Although we have not filed applications for copyright registration, all copyrighted materials are our property.  Item 11 describes limits on the use of copyrighted materials by you and your employees.  You are only permitted to use our proprietary processes and systems in accordance with the Franchise Agreement and only as long as you are a franchisee.  You must contact us immediately if you learn of any unauthorized use of our proprietary information.  You must also agree to not contest our rights to and our interest in our copyrights and other proprietary information.

There are no pending patent applications or registrations that are material to the franchise. We have no patents material to your franchise.

We claim proprietary rights to certain confidential information and trade secrets related to our franchise system.

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

We strongly recommend that you (or one of your owners if you are a business entity) participate fully in the actual day-to-day operation of the franchise business. However, you may designate a Manager to assume responsibility for day-to-day operations.  If you simultaneously purchase multiple franchises and sign the Area Development Addendum, it may not be feasible for you to participate fully in the actual day-to-day operation of each franchise, depending on the number of franchises purchased and the number of offices that you are required to or elect to open. Any Managers you employ to help you to operate the franchise must successfully complete the mandatory training program.  The manager(s) and all of your owners must agree to be bound by the confidentiality and non-competition provisions of the Franchise Agreement.

Each of your owners must assume and agree to discharge all of your obligations under the Franchise Agreement. Each Owner must sign a Personal Guarantee substantially in the form attached as attached to the Franchise Agreement. For purposes of these requirements, “Owner” means any holder of the franchisee's securities and the franchisee's officers and directors, if the franchisee is a corporation; the franchisee's members and managers, if the franchisee is a limited liability company; and the franchisee's partners, if the franchisee is a general or limited partnership. If any Owner is a business entity, the term "Owner" also includes the Owners of the Business Entity. If the franchisee is a married individual, the franchisee's spouse must also sign the Personal Guarantee.

## ITEM 16. THE RESTRICTIONS OF WHAT THE FRANCHISEE MAY SELL

We require that you use, offer and sell only those products and services that we approve in writing, which writing includes the Operations Manual. You must offer all the products and services that we designate as required by our franchisees. We reserve the right, without limitation, to modify, delete and add to the authorized products and services. We will issue you a written notification of any changes to our product offering, and you will have no more than 30 days to comply with any such changes.

There are no limits regarding customers to whom the franchisee may sell our products and services to.

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

### THE FRANCHISE RELATIONSHIP

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

| Provision | Section in Franchise of Franchise Agreement and Area Developer Addendum | Summary |
|---|---|---|
| a. Length of the franchise term | FA Article 13 | 10 years |
| b. Renewal or extension of term | FA Article 13 | If you are in good standing, you may renew for periods of 10 years under the terms of our then current franchise agreement forms that may have materially different terms and conditions then your original contract. |
| c. Requirements for franchisee to renew or extend | FA Article 13 | "Renewal" means that you, upon the expiration of the original term of the franchise agreement, have the right to enter into a new agreement according to our then-current franchise agreement forms that may have materially different terms and conditions then your original contract. You must give notice at least three and not more than six months before the expiration of the initial term; faithfully perform under the initial agreement and be in good standing; refurbish the Franchise and replace obsolete equipment; general sign release; sign a new agreement; pay $15,000 renewal fee; and go through re-training |
| d. Termination by franchisee | Not Applicable | Not applicable |

| Provision | Section in Franchise of Franchise Agreement and Area Developer Addendum | Summary |
|---|---|---|
| e. Termination by franchisor without cause | Not Applicable | Not applicable |
| f. Termination by franchisor with cause | Article 13 | Any material violation or breach of the Franchise Agreement is deemed a material breach of the Area Development Addendum any other franchise or other agreement between you and us. The non-breaching party then will be entitled to enforce the penalties of or to terminate the Franchise Agreement and any relevant addenda and any or all of such other franchise agreements. If you sign an Area Development Addendum and the Area Development Addendum or the Franchise Agreement is terminated, your right to open additional franchises under the Area Development Addendum shall be terminated. However, termination of the Area Development Addendum does not allow us to termination your Franchise Agreements for open and operating franchises. |
| g. "Cause" defined – curable defaults | Article 13 | You may have 30 days to cure any default not listed in Section 6.3. |
| h. "Cause" defined – non- curable defaults | Article 13 | Bankruptcy and insolvency, abandonment, repeated default, misrepresentations, levy of execution, criminal conviction, noncompliance with laws, nonpayment of fees, repeated underreporting of sales, the disclosure of information. |
| i. Franchisee's obligations on termination or nonrenewal. | Article 14 | De-identification, return of manuals, the release of phone numbers and listings, de-identification of your franchise equipment and premises, payment of sums owed, confidentiality, and non-competition. |
| j. Assignment of contract by franchisor | Article12 | There are no restrictions on our right to transfer. |
| k. "Transfer" by franchisee - defined | Article 12 | Restrictions apply if you sell, transfer, assign, encumber, give, lease, or sublease (collectively called "transfer") the whole or any part of the franchise agreement, substantial assets of the franchise, or ownership or control of you. |
| l. Franchisor's approval of transfer by franchisee | Article 14 | We have the right to approve all transfers. |
| m. Conditions for franchisor approval of transfer | Article 14 | The transferee must qualify as a franchisee, and must assume your obligations, you may not be in default, you must be in good-standing, the transferee must successfully complete the mandatory training, the transfer fee is $10,000 paid, the transferee must sign a new franchise agreement on our then current terms, and you must release us. |

| Provision | Section in Franchise of Franchise Agreement and Area Developer Addendum | Summary |
|---|---|---|
| n. Franchisor's right of first refusal to acquire franchisee's business | Article 14 | If you receive an offer, we will have the right to purchase on the same terms and conditions as offered to you, a 60-day notice and right to decide. |
| o. Franchisor's option to purchase franchisee's business | Not Applicable | Not Applicable |
| p. Death or Disability of franchisee | Article 15 | Your rights may pass to your heirs or legatees if they assume your obligations and attend training. On your disability, you may sell the business or keep it if operated by trained personnel. |
| q. Non-Competition Covenants During the Term of the Franchise | Article 9 | You may not disclose confidential information or compete. |
| r. Non-Competition Covenants After the Franchise is Terminated or Expires | Article 9 | Non competition is allowed for 2 years within the Territory, within a 50-mile radius of the Territory, within a 50-mile radius of any location where we operate or have granted the franchise to operate a Wing It On! Business. |
| s. Modification of the Agreement | Article 20 | We may modify the Operations Manual. Modifications to the language of the Franchise Agreement require the signed written agreement of the parties. |
| t. Integration/Merger Clause | Article 20 | Only the terms of the franchise agreement and other related written agreements are binding (subject to applicable state law.) Any representations or promises outside of the disclosure document and franchise agreement may not be enforceable. |
| u. Dispute Resolution by Arbitration or Mediation | Article 19 | Except for certain claims, all disputes must be arbitrated in accordance with the procedures of the American Arbitration Association or its successor in Wake County, North Carolina, except as stated in State Addenda to this Disclosure Document. |
| v. Choice of Forum | Article 19 | Litigation and arbitration must be in Wake County, North Carolina. Some states do not allow franchisees to give up their right to bring or defend lawsuits in the courts of their state. See Exhibit G to this Disclosure Document for state addenda to this Item (subject to applicable state law). |
| w. Choice of Law | Article 19.8 | North Carolina law applies except as otherwise provided in the Franchise Agreement. Some states do not allow franchisees to give up their right to bring or defend lawsuits in the courts of their state(subject to applicable state law). |

See State Law Addendum EXHIBIT H for state-specific disclosures (if any).

## ITEM 18. PUBLIC FIGURES

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

## ITEM 19. FINANCIAL PERFORMANCE REPRESENTATIONS

The FTC's Franchise Rule permits a Franchisor to provide information about the actual or potential financial performance of its franchised and/or Franchisor-owned outlets, if there is a reasonable basis for the information, and if the information is included in the Franchise 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.

Restaurant Franchised Business

Below is certain information regarding the Total Revenues of Wing It On! Restaurant outlets open during the 2019, 2020, 2021, and 2022 calendar years respectively, together with average and median Total Revenue information as indicated below the chart for 2022 calendar year results. We do not make any financial performance representations regarding the Wing It On! Food Truck franchises, which is why no Food Truck outlets are included below.

In 2019, there was one corporate outlet and two franchise outlets operating for the entire fiscal year. The following outlets were excluded from the table below: (i) two franchise outlets that ceased operations during 2019, (ii) one franchise outlet that opened for business during 2019, and (iii) one corporate Food Truck outlet.

| **Total Revenues- 2019 Full Calendar<br>January 1, 2019 to December 31, 2019** | |
|---|---|
| **Location** | **Total Revenues** |
| 1* | $561,640.60 |
| 2 | $735,184.43 |
| 3 | $494,017.87 |

*This is the Company-Owned Outlet

In 2020, there was one corporate outlet and two franchise outlets operating for the entire fiscal year. Three franchise outlets and one corporate opened during 2020, and their results are for a partial year of operation as shown below. The following outlets were excluded from the table below: one Food Truck franchise outlet.

| Total Revenues- 2020 Calendar Year<br>January 1, 2020 to December 31, 2020 | | |
|---|---|---|
| **Location** | **Total Revenues** | **Comments** |
| 1* | $874,657 | |
| 2 | $555,142 | |
| 3 | $438,192 | Sales affected by the in-person closure of Central Connecticut State Univ due to COVID-19 |
| 4 | $636,373 | Opened June 2020 |
| 5 | $207,205 | Opened Sept 2020 |
| 6* | $94,672 | Opened Sept 2020<br>Sales affected by the in-person closure of North Carolina State Univ due to COVID-19 |
| 7 | $18,997 | Opened Dec 2020 |

*These are Company-Owned Outlets

In 2021, there were two corporate outlets and five franchise outlets operating for the entire fiscal year. The following outlets were excluded from the table below: one Food Truck franchise outlet.

| Total Revenues- 2021 Calendar Year<br>January 1, 2021 to December 31, 2021 | | | | | |
|---|---|---|---|---|---|
| **Store** | **State** | **2021 Sales** | **2020 Sales** | **% Change** | **2021 Avg Sales/Month** |
| *Waterbury | CT | $ 982,039.26 | $ 874,657.52 | 12.3% | $ 81,836.61 |
| New Britain | CT | $ 569,361.70 | $ 438,192.56 | 29.9% | $ 47,446.81 |
| Linden | NJ | $ 649,890.82 | $ 555,142.77 | 17.1% | $ 54,157.57 |
| Stratford | CT | $ 889,062.99 | $ 636,373.05 | N/A | $ 74,088.58 |
| Prattville | AL | $ 358,035.96 | $ 218,301.50 | N/A | $ 29,836.33 |
| *Raleigh | NC | $ 388,122.91 | $ 102,257.18 | N/A | $ 32,343.58 |
| Sandy Springs | GA | $ 299,898.95 | $ 20,294.76 | N/A | $ 24,991.58 |

*These are Company-Owned Outlets

In 2022, there was one corporate outlet and five franchise outlets operating for the entire fiscal year. The following outlets were excluded from the table below: one Food Truck franchise outlet.

| Total Revenues- 2022 Calendar Year<br>January 1, 2022 to December 31, 2022 | | | | | |
|---|---|---|---|---|---|
| **Store** | **State** | **2022 Sales** | **2021 Sales** | **% Change** | **2022 Avg Sales/Month** |
| *Waterbury | CT | $894,214.99 | $982,039.26 | -8.9% | $74,517.92 |
| Stratford | CT | $694,551.78 | $889,062.99 | -21.9% | $57,879.32 |
| Linden | NJ | $561,519.98 | $649,890.82 | -13.6% | $46,793.33 |
| New Britain | CT | $422,968.79 | $569,361.70 | -25.7% | $35,247.40 |
| Trussville | AL | $387,069.00 | $193,898.48 | N/A | $32,255.75 |
| Prattville | AL | $319,936.92 | $358,035.96 | -10.6% | $26,661.41 |
| | | | | Avg AUV/Month | $45,559.19 |

3 locations that were open the full year (50%) had 2022 Total Revenue in excess of the average.
Average Annual Total Revenue (Full year operation) - $546,710.24
Average Monthly Total Revenue (Full year operation) - $45,559.19
Average Monthly Total Revenue (All locations) - $44,078.56
Average Annual Total Revenue (Top 50% of all locations) - $716,762.25

Median Annual Total Revenue (Full year operation) - $492,244.39
Median Monthly Total Revenue (Full year operation) - $41,020.37
Median Monthly Total Revenue (All locations) - $39,563.34

There are no material differences between the outlets used for this financial performance representation and the Wing It On! franchise offered in this disclosure document.

The term "Total Revenue" means gross revenue minus sales tax, discounts, allowances, and returns.

Our management prepared this financial performance representation based on the company-owned outlets' historical bookkeeping books and financial reports provided to us by franchisees. Written substantiation for the financial performance representation will be made available to you upon a reasonable request.

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

Other than the preceding financial performance representation, WIO Franchising LLC does 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 Rich Guckel at 755 Schneider Drive, South Elgin, IL 60177; (847) 608-8500, the Federal Trade Commission, and the appropriate state regulatory agencies.

## ITEM 20. OUTLETS AND FRANCHISE INFORMATION

**ITEM 20 TABLE NO. 1**
**System-wide Outlet Summary**
**For Years 2020 - 2022**

| Outlet Type | Year | Outlets at the Start of the Year | Outlets at the End of the Year | Net Change |
|---|---|---|---|---|
| Franchised | 2020 | 4 | 6 | +2 |
| | 2021 | 6 | 8 | +2 |
| | 2022 | 8 | 12 | +4 |
| Company Owned | 2020 | 2 | 2 | 0 |
| | 2021 | 2 | 2 | 0 |
| | 2022 | 2 | 1 | -1 |
| **Total Outlets*** | **2020** | **6** | **8** | **+2** |
| | **2021** | **8** | **10** | **+2** |
| | **2022** | **10** | **13** | **+3** |

* This chart includes both franchised and company-owned Wing It On! locations. As of the date of this Disclosure Document, there are 13 Wing It On! locations in operation.

## ITEM 20 TABLE NO. 2
## Transfers of Franchised Outlets to New Owners
## (other than the Franchisor)
## For Years 2020 - 2022

| State | Year | Number of Transfers |
|---|---|---|
| **Total** | **2020** | **0** |
| | **2021** | **0** |
| | **2022** | **0** |

## ITEM 20 TABLE NO. 3
## Status of Franchised Outlets
## For Years 2020 - 2022

| State | Year | Outlets at Start of Year | Outlets Opened | Termina-tions | Non-Renewals | Reacquired by Fran-chisor | Ceased Operations – Other Reasons | Outlets at End of the Year |
|---|---|---|---|---|---|---|---|---|
| AL | 2020 | 0 | 1 | 0 | 0 | 0 | 0 | 1 |
| | 2021 | 1 | 1 | 0 | 0 | 0 | 0 | 2 |
| | 2022 | 2 | 0 | 0 | 0 | 0 | 0 | 2 |
| CT | 2020 | 2 | 2 | 0 | 0 | 0 | 1 | 3 |
| | 2021 | 3 | 0 | 0 | 0 | 0 | 0 | 3 |
| | 2022 | 3 | 0 | 0 | 0 | 0 | 0 | 3 |
| FL | 2020 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 2021 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 2022 | 0 | 1 | 0 | 0 | 0 | 0 | 1 |
| GA | 2020 | 1 | 0 | 0 | 0 | 0 | 0 | 1 |
| | 2021 | 1 | 0 | 0 | 0 | 0 | 0 | 1 |
| | 2022 | 1 | 0 | 0 | 0 | 0 | 0 | 1 |
| NJ | 2020 | 1 | 0 | 0 | 0 | 0 | 0 | 1 |
| | 2021 | 1 | 0 | 0 | 0 | 0 | 0 | 1 |
| | 2022 | 1 | 1 | 0 | 0 | 0 | 0 | 2 |
| NY | 2020 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 2021 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 2022 | 0 | 1 | 0 | 0 | 0 | 0 | 1 |
| NC | 2020 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 2021 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 2022 | 0 | 1 | 0 | 0 | 0 | 0 | 1 |
| TX | 2020 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 2021 | 0 | 1 | 0 | 0 | 0 | 0 | 1 |
| | 2022 | 1 | 1 | 0 | 0 | 0 | 1 | 1 |
| **Total** | **2020** | **4** | **3** | **0** | **0** | **0** | **1** | **6** |
| | **2021** | **6** | **2** | **0** | **0** | **0** | **0** | **8** |
| | **2022** | **8** | **5** | **0** | **0** | **0** | **1** | **12** |

**ITEM 20 TABLE NO. 4**
**Status of Company-Owned Outlets**
**For Years 2020 - 2022**

| State | Year | Outlets at Start of Year | Outlets Opened | Outlets Reacquired From Franchisee | Outlets Closed | Outlets Sold to Franchisee | Outlets at End of the Year |
|---|---|---|---|---|---|---|---|
| CT | 2020 | 2 | 0 | 0 | 0 | 1 | 1 |
| | 2021 | 1 | 0 | 0 | 0 | 0 | 1 |
| | 2022 | 1 | 0 | 0 | 0 | 0 | 1 |
| NC | 2020 | 0 | 1 | 0 | 0 | 0 | 1 |
| | 2021 | 1 | 0 | 0 | 0 | 0 | 1 |
| | 2022 | 1 | 0 | 0 | 1 | 0 | 0 |
| **Total *** | **2020** | **2** | **1** | **0** | **0** | **1** | **2** |
| | **2021** | **2** | **0** | **0** | **0** | **0** | **2** |
| | **2022** | **2** | **0** | **0** | **1** | **0** | **1** |

* The company-owned units refer to our affiliate MZM Food Group LLC.

**ITEM 20 TABLE NO. 5**
**Projected Openings as of December 31, 2022**

| State | Franchise Agreements Signed But Outlets Not Yet Opened | Projected New Franchised Outlets in the Next Fiscal Year | Projected New Company-Owned Outlets in the Next Fiscal Year |
|---|---|---|---|
| Florida | 4 | 1 | 0 |
| Massachusetts | 1 | 0 | 0 |
| New York | 1 | 1 | 0 |
| South Carolina | 1 | 0 | 0 |
| Tennessee | 1 agreement; 5 locations | 1 | 0 |
| Texas | 1 agreement; 4 locations | 1 | 0 |
| Virginia | 1 | 0 | 0 |
| **Total *** | **10 agreements** | **4** | **0** |

These are projections of the number of new franchises we expect will open in the next fiscal year. It is, however, only a projection. If the chart shows more than one state, it identifies those states which we consider priority states. We do not plan, however, to sell franchises in all those states in the upcoming year. We continue to look for new franchisees throughout the United States and will open locations in any state in which we find qualified purchasers, except in those states where we are not authorized to sell franchises. Therefore, the actual number of new franchisees in any state that opens in the next fiscal year could vary from the number described above.

In some instances, current and former franchisees may sign provisions restricting their ability to speak openly about their experience with WIO Franchising LLC. 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.

The complete listing of all of our current franchisees and the addresses and telephone numbers of all of their operations are listed in EXHIBIT C

The list of the name, city and state, and the current telephone number (if unknown, the known home or mobile telephone number) of every franchisee who had an outlet terminated, canceled, not renewed, or otherwise voluntarily or involuntarily ceased to do business under the franchise agreement during our most recently completed fiscal year or who has not communicated with us within 10 weeks of the date of this Disclosure Document is in EXHIBIT D.

Our standard Franchise Agreement (EXHIBIT A), all renewal and transfer agreements and all agreements to settle disputes with franchisees, generally contain confidentiality clauses. Thus, all our franchisees have signed a confidentiality clause with us. In some instances, current and former franchisees sign provisions restricting their ability to speak openly about their experience with Wing It On!. You may wish to speak with current and former franchisees but be aware that not all franchisees will be able to communicate with you.

The following is a list, to the extent known to us, of the names, addresses, telephone numbers, email addresses, and web addresses of each trademark-specific franchisee organization associated with the franchise system being offered which we have created, sponsored or endorsed:

N/A

## ITEM 21. FINANCIAL STATEMENTS

We have not been in business for three years or more and cannot include all of the financial statements required under this Item. Attached in EXHIBIT E to this Disclosure Document is our audited financial statement as of February 15, 2023. Our fiscal year-end is December 31.

## ITEM 22. CONTRACTS

The following agreements are exhibits:

- Franchise Agreement (including exhibits and schedules) – EXHIBIT A
- Restrictive Covenant– EXHIBIT B

## ITEM 23. RECEIPTS

Attached to this Disclosure Document are two (2) Receipt pages (EXHIBIT I). They are duplicates that evidence your receipt of this Disclosure Document. The first is to be retained by you, the other by us.

# EXHIBIT A. FRANCHISE AGREEMENT

**WIO Franchising LLC**

## FRANCHISE AGREEMENT

**FRANCHISEE:**

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# FRANCHISE AGREEMENT

**THIS FRANCHISE AGREEMENT** (the "Agreement") made this _____ day of _______________, 20______ by and between WIO Franchising LLC, a Nevada limited liability company with a principal place of business at 755 Schneider Drive, South Elgin, IL 60177 ("Franchisor"), and ___________________________ (the "Franchisee", and as also defined in Article 9):

Definitions:

In this Agreement, the following capitalized terms shall have the meanings set forth below unless the context otherwise requires:

- A "Wing It On!" is a business that specializes in the sale of Authorized Wing It On! Services and Products, as defined below, is operated under Franchisor's Marks, as defined below, and is authorized by a franchise or license agreement made or approved by WIO Franchising LLC

"Authorized Services or Products" or "Wing It On! Authorized Services and Products" are defined as products and/or services approved or authorized by the Franchisor in accordance with Article 5 of this Agreement.

**WHEREAS**, Franchisor is a licensee and distributor of certain trademark(s), which has been registered with the United States Patent and Trademark Office, and may, in the future become the owner, licensee and/or authorized distributor for other trademarks service marks or trade names, including logos and designs, related or unrelated to Franchisor's marks (collectively referred to in this Agreement as "Franchisor's Marks"); and

**WHEREAS**, Franchisor has developed and continues to develop a system of Wing It On! Authorized Services and Products, which system includes or may include a unique service offering, distinctive signs, programs, and various trade secrets and other confidential information, and marketing techniques (the "System") which are materially reflected in Franchisor's Operations Manual (the "Manual(s)"). Franchisor identifies the System by Franchisor's Marks, and such other trademarks, service marks, trade names, logos and designs as may be designated by Franchisor in writing as being authorized for use in the System. Franchisor's Marks identify for the public the source of the services rendered in accordance with the standards and specifications established by Franchisor; and

**WHEREAS**, the System as used in existing Wing It On locations has an established reputation for quality, cleanliness, appearance, and service, and through such operations and continued marketing and advertising efforts, have created demand and goodwill for the Authorized Services and Products sold as a result of which the System has acquired valuable goodwill and a favorable reputation; and

**WHEREAS**, Franchisee desires to enjoy the benefits of: (i) operating under the System using Franchisor's Marks; and (ii) being authorized and licensed to operate one Wing It On! within the System in strict accordance with the standards and specifications established by Franchisor as set forth below; and

**WHEREAS**, Franchisor is willing to grant to Franchisee a license under Franchisor's Marks and the System, subject to Franchisee's strict compliance with the terms and conditions of the Agreement.

**NOW, THEREFORE,** the parties agree as follows:

## ARTICLE 1. FRANCHISE RIGHT GRANTED, LOCATION

### 1.1 GRANT

In consideration of the issuance of the franchise granted herein, Franchisee shall pay Franchisor the sum of $30,000 for Restaurant Franchise and $15,000 for Food Truck Franchise (the "Initial Fee"). In exchange, Franchisor hereby awards Franchisee the right to open and operate, under the terms of this Agreement, one

- Restaurant; or
- Mobile Food Truck with Commissary (for storage and food preparation)

Wing It On! specializing in selling and providing high quality limited and specific products and services as specified by Franchisor in the Manual, or subsequently added in accordance with amendments to the Manual, under the name "Wing It On!" at the specific Restaurant location or Mobile Food Truck ("Site"), as indicated above, selected by you and approved by us to operate a Wing It On! as a franchise using the System. The Initial Fee shall be deemed fully earned by Franchisor upon the execution of this Agreement by Franchisor and Franchisee and shall not be refunded, in whole or in part, upon any termination of this Agreement, or at any other time or under any other circumstances unless the seller fails to deliver the products, equipment or supplies or fails to render the services necessary to begin substantial operation of the business within forty-five days of the delivery date stated in your contract, you may notify the seller in writing and demand that the contract be canceled.

### 1.2 LICENSE

Franchisor hereby grants and awards to Franchisee, for the term set forth in this Agreement, and any renewal term, beginning on the date of this Agreement, the right, and nonexclusive license, and Franchisee hereby undertakes the obligation, to operate the business described in this Agreement under Franchisor's Marks and such other of Franchisor's Marks as may be designated by Franchisor, to operate such business solely in accordance with the System, and only at the Site location and in the specific area to be agreed upon by Franchisor and Franchisee. Franchisor may require all shareholders, members, partners or other owners of Franchisee to assume and agree to discharge all of Franchisee's obligations under this Agreement either by executing this Agreement in their individual capacities or by executing an unlimited continuing guaranty.

## 1.3 RESERVED RIGHTS

Franchisor specifically reserves all rights not expressly granted to Franchisee in this Agreement. Without limiting the generality of the preceding sentence, Franchisor has the right to:

a. Own, acquire, establish and operate, and license others to establish and operate, businesses like the Franchised Business or substantially similar to the Franchised Business, whether under the Marks or other proprietary marks, outside the Territory.

b. Acquire a system of Competitive Businesses (as defined herein) with units located within the Territory or outside the Territory, subject to the provisions of this Agreement.

c. Sell or franchise others to sell the services and products authorized for Wing It On! Franchised Business using the Marks or other trademarks, service marks and commercial symbols through alternate channels of distribution, venues, site or location models other than model concept of your Franchised Business, joint marketing with partner companies, direct mail, catalog sales, Internet sites, and co-branding strategies, pursuant to such terms and conditions as Franchisor deems appropriate.

d. Franchisor, its affiliates or a franchisee or licensee may advertise, promote, market or sell goods or services using the Marks over the Internet, the world wide web or any other electronic network.

e. Offer and sell the services and products authorized for Franchised Business using the Marks or other trademarks, service marks and commercial symbols to Special Accounts as defined and a per the conditions set forth in this Agreement.

f. Own, acquire, establish and operate, and license others to establish and operate, businesses like the Franchised Business or substantially similar to the Franchised Business, whether under the Marks or other proprietary marks, in Special Venues as defined in this Agreement.

## 1.4 SPECIAL VENUES

Franchisor, its affiliates or a franchisee or licensee may own, acquire, establish and operate, and license others to establish and operate, businesses like the Franchised Business or substantially similar to the Franchised Business, whether under the Marks or other proprietary marks in any temporary or permanent venue where there is a captive audience and where the primary purpose is other than patronizing a Wing It On! business (referred herein as a "**Special Venue**"), in the way of examples, but not an exhaustive list: malls, entertainment and sports centers, military bases, transportation facilities, supermarkets, service stations, and carnivals within the Development Area or outside of the Territory.

## 1.5 SPECIAL ACCOUNTS

The Franchisor has the exclusive right to contract with customers whose offices, stores, plants, buildings, or other physical facilities are not confined to the territory of a single Wing It On! territory or the trading area of a single Franchise, Franchisor-owned or Affiliate-owned business (referred to herein "**Special Accounts**"). If Franchisor establishes a contract for facilities of a Special Account located in the Territory, Franchisor shall offer Franchisee the first option of providing the services to the Special Account at those facilities in the Territory at the prices and subject to the contract requirements negotiated by Franchisor with the Special Account. If Franchisee accepts the project, Franchisor will collect all amounts due from the Special Account and remit to Franchisee the amount due for products and services rendered Special Account, less the amount of Royalties and other fees due under this Agreement. All amounts collected from Special Accounts on Franchisee's behalf or by Franchisee from Special Accounts will be included in Franchisee's Gross Revenues for purposes of calculating Royalties other fees due under this Agreement.

If Franchisee declines to accept the project, Franchisor will have the unfettered right to fulfill the contract requirements to the Special Account in the Territory in any manner it deems suitable, including through another Wing It On! Franchisee, a Franchisor or Affiliate-owned business, or a third-party contractor. Additionally, if at any time a Special Account for any reasonable requests that services in the Territory be provided by someone other than Franchisee, Franchisor may revoke Franchisee's option or right to provide or continue to provide the services and may fulfill the contract requirements of the Special Account in the Territory in any manner Franchisor deems suitable.

**1.6 [INTENTIOANLLY DELETED]**

**1.7 TERRITORY**

The authorized area ("Territory") agreed upon at the time of the execution of this Agreement, as set forth below:

Territory:

**Restaurant**: ____ miles from Restaurant Franchise with of:

______________________________________________

______________________________________________

**Mobile Food Truck**:

________________________________________________ excluding a 1/2-mile radius from any Wing It On! Storefront, brick and mortar, or other conceptual models with a Commissary located at:

______________________________________________

______________________________________________

Franchisee's relocation of the Restaurant Site, lease, or an alternative, substitute or additional Mobile Food Truck, must first receive Franchisor's written consent. Any determination regarding a change, modification, or alteration in Franchisee's Territory shall be made in Franchisor's sole discretion. Any new Territory or Site must satisfy Franchisor's then-current franchise placement and demographics criteria as set forth in the Manual. Any expenses or costs associated with a change in Franchisee's Territory shall be Franchisee's sole responsibility including, but not limited to, any expenses or costs incurred by Franchisor.

Franchisor, if requested by Franchisee, may provide reasonable advice and input related to Franchisee's selection of its Site, including, but not limited to, up to 2 days of on location assistance. Franchisor, in its sole discretion, shall have the right to determine whether or not such assistance shall be provided to Franchisee if requested by Franchisee.

## ARTICLE 2. COMMENCEMENT OF BUSINESS

Franchisee, at its own expense shall: (i) obtain and purchase all necessary equipment, signage, and supplies including Wing It On! Products; (ii) obtain all necessary insurance, governmental permits, and licenses prior to commencing business in its Territory; (iii) shall maintain all licenses in full force and effect during the term of this Agreement. Franchisee shall commence operation of each Wing It On! franchise no later than 180 days after the execution of this Agreement; and (iv) shall give Franchisor 15 days written notice prior to commencing operations.

Franchisee's failure to commence operation of its Wing It On! within 180 days after the execution of this Agreement may result in the termination of this Agreement. Franchisee's failure to commence operation of its Wing It On! within 180 days after the execution of this Agreement may be excused if such failure results from war or civil disturbance, natural disaster, labor dispute, shortages, or other events beyond Franchisee's control. Upon the happening of any of these events, Franchisee's time to commence operation of its Wing It On! shall be extended for a reasonable time in Franchisor's sole discretion. Franchisee's failure to commence operation of its Wing It On! within any extension of time granted by Franchisor may result in the termination of this Agreement. Franchisee shall be obligated to immediately return any products, equipment, supplies or materials it may have obtained from Franchisor, Franchisor's affiliates, or approved suppliers in the event that this Agreement is terminated for Franchisee's failure to timely commence operation of its Wing It On!. Franchisee shall not be entitled to receive any compensation from Franchisor for the return of any such products, equipment, supplies or materials. Additionally, Franchisee's failure to commence operation of its Wing It On! Location within 180 days will result in forfeiture of the Initial Franchise Fee. Furthermore, Franchisee shall pay Franchisor two thousand and five hundred dollars ($2,500) for each month that Franchisee's Wing It On! business is not open and operational. Franchisor may waive such amounts under its discretion.

## ARTICLE 3. TRAINING

**3.1** Franchisee, together with its designated fulltime manager (if an individual other than Franchisee) shall attend Franchisor's mandatory initial training. The mandatory initial training program also may include training at Franchisee's Wing It On! at Franchisor's sole discretion. The location, content and format of the mandatory initial training program shall be determined in Franchisor's sole discretion and may be subject to change. Franchisee shall request to schedule the mandatory initial training program at least 14 days before the mandatory initial training program is to start. The time of Franchisee's mandatory initial program, however, shall be determined in Franchisor's sole discretion. Franchisee must complete the mandatory initial training program at least four weeks prior to the opening of Franchisee's Wing It On!. Franchisee shall identify any management employees, including its designated fulltime manager, in advance of the mandatory initial training program and shall provide their names and a bio to Franchisor in advance of the mandatory initial training program, together with any other information Franchisor may request. The cost of the mandatory initial training program is included in the Initial Fee. Franchisee shall be responsible for all travel, living, compensation, and other expenses incurred by Franchisee and/or Franchisee's employees in connection with attendance at the mandatory initial training program.

Franchisor may terminate this Agreement should Franchisee and/or its designated fulltime manager fail to complete the mandatory initial training program to Franchisor's satisfaction. Franchisor shall not be liable for Franchisee's costs or expenses if Franchisor terminates this Agreement because Franchisee or its designated fulltime manager fails to complete the mandatory initial training program to Franchisor's satisfaction.

Franchisor may, at any time during the mandatory initial training program, inform Franchisee that an individual attending training on Franchisee's behalf is not suitable due to criminal activities, disruptive behavior, poor attendance or other reasons. Upon that notice, Franchisor's obligations to train that individual will be deemed to have been discharged.

**3.2** Franchisor will not allow any Wing It On! to be opened or managed by any person who has not attended and successfully completed the management training course designated by Franchisor. If Franchisee's designated Wing It On! manager resigns or is terminated; Franchisee agrees to notify franchisor within 3 days and must arrange to have the successor manager: (i) begin the required training course within 30 days of first assuming the duties of a manager; and (ii) successfully complete the course.

**3.3** If at any time the Franchisee or Franchisee's designated manager voluntarily withdraws from, or is unable to complete its training, or fails to demonstrate an aptitude, spirit or ability to comprehend and carry out the course of study to the reasonable satisfaction of Franchisor, then Franchisor shall have the right to require Franchisee or Franchisee's trainee to attend other training classes and/or to perform additional operational training until Franchisor is reasonably satisfied that Franchisee or Franchisee's trainees have satisfactorily completed the Franchisor's training course. Under no circumstances will Franchisee be permitted to open or operate a Wing It On! until training is completed to Franchisor's reasonable satisfaction by Franchisee and Franchisee's management designee. Under no circumstances may an open Wing It On! be managed by individuals who have not successfully completed Franchisor's training program. Franchisee shall bear all costs associated with any additional training provided under this Article 3.3 The Franchisor reserves the right at its sole discretion, and without obligation or liability, to provide management resources and or consultants to existing franchises that fail to employ a qualified and certified trained manager or if that manager is deemed to perform unsatisfactory for a period of 90 days. All cost including travel, lodging and then – current rates will be customary and reasonable and be paid by the franchisee immediately upon invoice.

**3.4** In the event of a sale to a third party of Franchisee's Wing It On! after opening, the transferee or its designated representatives must be trained at Franchisor's facilities as a condition of Franchisor's consent to such transfer. All tuition costs for such training shall be deemed paid upon receipt by Franchisor of the $10,000 transfer fee, due in accordance with Article 12 herein. No Wing It On! shall open or re-open until the Franchisor certifies that the transferee is approved to operate a Wing It On!.

**3.5** Franchisor may, at its discretion or upon Franchisee's request, provide other supervision, training, assistance and/or services before and/or after the opening of Franchisee's Wing It On!; such as on-site support from experienced personnel during the initial month of operation, coach or training communications, online or video instructional programs, literature, advertising materials, displays, flyers and additional training or assistance. Any request for additional supervision, training, assistance, and/or services shall be made by Franchisee to Franchisor at least 14 days prior to the provision of such supervision, training, assistance, and/or services. The duration of such additional supervision, training, assistance, and/or services is negotiable depending on Franchisee's needs. Franchisee will not receive any compensation for any additional supervision, training, assistance, and/or services. Franchisee shall pay Franchisor the Franchisor's then-current rates for the provision of such additional supervision, training, assistance, and/or services and travel and lodging expenses incurred by Franchisor. Franchisee shall reimburse Franchisor for any costs associated with providing experienced staff for working on-site at Franchisee's location. Franchisee also shall reimburse Franchisor for any costs Franchisor may incur if it is required to travel to provide additional supervision, training, assistance, and/or services including, but not limited to, travel, accommodations, meals, etc. Franchisee shall be responsible for its own costs should it be required to travel to Franchisor for additional supervision, training, assistance, and/or services.

**3.6** Franchisor, from time to time in its sole discretion, may provide refresher training programs or host business meetings that may require the attendance of Franchisee or its designated manager. Franchisee and/or its designated manager shall be required to attend any such training programs or meetings and to complete them to Franchisor's satisfaction. These training programs or business meetings shall be held at locations to be determined by Franchisor and shall be provided at no cost to Franchisee. Franchisee, however, shall be solely responsible for all costs and expenses associated with attendance at any training program or business meeting including, but not limited to, travel, lodging, and meal expenses. Franchisee shall not be entitled to any compensation or payment from Franchisor for attendance at any training program or seminar.

## ARTICLE 4. MANUALS AND STANDARDS OF OPERATION QUALITY, CLEANLINESS, AND SERVICE

### 4.1 <u>STANDARDS</u>

In order to promote the value of goodwill of Franchisor's Marks and the System and to protect Franchisor's Marks and other Wing It On! franchisees that comprise the Wing It On! franchise system, Franchisee agrees to conduct its business in accordance with the standards and specifications promulgated by Franchisor as follows:

## 4.2 MANUALS

**4.2.1** In the Operations Manuals and other publications, Franchisor will list Authorized Services and Products to be sold by Franchisee, and promulgate standards and specifications for operation of Wing It On! franchises, including standards of quality, cleanliness, safety, courtesy, and service for all Authorized Services and Products; specifications for build-out requirements, fixtures, furnishings, interior design, exterior design, supplies, equipment, operating procedures, accounting and bookkeeping methods, marketing programs and ideas, advertising layouts and guidelines, operations requirements, public relations guidelines, service guidelines, and any other guidelines that may be necessary to the operation of a Wing It On!. Franchisee further acknowledges that Franchisor may consider that changes to the Authorized Services and Products, fixtures, furnishings, interior, exterior, supplies, and equipment, or the standards, specifications, and procedures may be necessary or desirable from time to time in its sole discretion, and Franchisee agrees to accept as reasonable all amendments, modifications, revisions, and additions to the Manuals, standards, specifications, and procedures that may subsequently be authorized by Franchisor. Franchisee shall strictly follow the requirements of the Manuals and any and all amendments, modifications, revisions, and additions thereto. The sale of any service or product not authorized without Franchisor's prior written approval shall constitute a material violation of this Agreement.

**4.2.2** The Manuals and all amendments to the Manuals (and copies thereof) are confidential and are Franchisor's exclusive property. The Manuals also may be protected by copyright. They are loaned to Franchisee for the term of the Agreement and must be returned to Franchisor upon the termination of this Agreement, expiration or non-renewal. The Manuals are highly confidential documents which contain trade secrets of the Franchisor, and Franchisee shall never reveal, and shall take all reasonable precautions, both during and after the term of this Agreement, to assure that its employees or any other party under Franchisee's control, shall never reveal any of the contents of the Manuals or any other publication, recipe or secret provided by Franchisor, except as is necessary for the operation of Franchisee's Wing It On!.

**4.2.3** The Manuals may be amended by Franchisor by written communication, which may be delivered to Franchisee via mail, email, Internet, Intranet, or other means as they become available. Under no circumstances may Franchisee fail to maintain a valid email address, known and available to Franchisor, during the term of this Agreement to facilitate these important communications. Franchisee agrees to comply with all amendments of the Manual within 30 days of receipt of the notification, except in the case of Internet notification, when compliance shall be made within 10 days from the transmission unless another time is specified in the notification. Franchisee shall immediately implement any changes in the operation of its Wing It On! that may result from any amendment to the Manuals. Franchisee shall bear all costs associated with any such changes unless otherwise informed in writing by Franchisor.

## 4.3 HOURS

Franchisee shall diligently and efficiently exercise its best efforts to achieve the maximum gross sales possible and will keep its Wing It On! Open not less than 70 hours per week, unless additional hours are reasonably required to maximize operations and sales. If such hours are incorrect in relation to the sales potential of Franchisee's Wing It On!, then Franchisor and

Franchisee shall reasonably adjust such hours. If Franchisee's Wing It On! is located in a mall or shopping center, the Franchisee shall maintain the same hours of operation as the mall or shopping center for its Wing It On! without regard to the total number of hours of operation for the mall or shopping center. It is acknowledged that the hours of other franchisees will vary in relationship to each respective Territory, and local legal restrictions, if any.

### 4.4 APPEARANCE

Franchisee agrees to comply with the Manuals and to maintain a professional image in keeping with the professional skills required of Franchisor.

### 4.5 SERVICES AND PRODUCTS

Franchisee agrees to sell only the Authorized Services and Products specified by Franchisor in this Agreement and in the Manuals and to follow all specifications and formulas of Franchisor as to specifications, contents, and quality of Authorized Services and Products provided to its customers from Franchisee's Wing It On!, unless otherwise approved by Franchisor in writing. Franchisee must offer to its customers ALL services and products required by Wing It On. Authorized services and products are posted and available for review at www.wingiton.com/menu. Franchisee may not edit, add or delete any menu item from its product offering.

### 4.6 MENUS, LETTERHEAD, AND OTHER GOODS

Franchisee agrees that all letterhead, product packaging, menus and brochures, printed marketing materials, and other goods or supplies which are sent to or given to customers, will be printed bearing accurate reproductions of Franchisor's Marks, shall conform to Franchisor's specifications, and shall be purchased by Franchisee from a supplier approved by Franchisor, as provided in Article 5, which approval will not be unreasonably withheld. Franchisor's specifications for these items shall be set forth in the Manuals.

### 4.7 FURNITURE, EQUIPMENT, INVENTORY, AND SIGNAGE

All furniture, equipment, including computer equipment, inventory, and signage used by Franchisee in connection with the operation of its Wing It On! must be purchased in accordance with the standards and specifications set forth in the Manuals.

## ARTICLE 5. AUTHORIZED MATERIALS, INSPECTIONS

### 5.1 MATERIALS

**5.1.1** Franchisee shall not manufacture, advertise for sale, sell or give away any service or product unless such service or product has been approved in the Manuals as an Authorized Service or Product for sale in Franchisee's Wing It On!, and not thereafter disapproved in writing by Franchisor. All Authorized Services and Products shall be distributed under the specific name designated by Franchisor. Franchisor shall establish a base guideline of prices for Authorized Services and Products in its sole discretion. Base guideline pricing is available for view by visiting wingiton.com and viewing the current posted menu for the Waterbury, CT Wing It On! location. Franchisee will have the option to set their individual store pricing no greater than a 15% deviation higher or lower than the Franchisor's current base guideline pricing. Franchisee shall offer for sale through its Wing It On! only those services or products which Franchisor designates as "approved and authorized" or which Franchisor has approved and made available or has otherwise specifically approved in writing each as an "Authorized Product and Service." No Authorized Service or Product will be removed from the list of those required to be offered unless Franchisee is so instructed by Franchisor.

**5.1.2** Franchisee must purchase an initial inventory of supplies and equipment from Franchisor, Franchisor's affiliates, or Franchisor's approved suppliers prior to commencing operations for its Wing It On!. Franchisee continually shall purchase supplies, equipment, products, and materials on an ongoing basis only from Franchisor, Franchisor's affiliates, or Franchisor's approved suppliers including, but not limited to, any supplies, equipment or products that bear any Marks, contain the name "Wing It On!", are used as a component of the Authorized Products and Services or is an Authorized Product or Service. The specifications and standards for such supplies, equipment, products, and materials shall be set forth in the Manuals, together with the identification of Franchisor's approved suppliers.

**5.1.3.** Franchisee, on advance written notice to Franchisor, may request Franchisor's approval to obtain products, equipment, supplies or materials from sources that Franchisor has not previously approved. Franchisee must put forth reasonable effort to obtain the products, equipment, supplies & materials from currently approved vendors before requesting that an alternate purveyor of goods or services be used. Franchisor may require Franchisee to give Franchisor sufficient information, photographs, drawings, samples, and other data to allow Franchisor to determine whether the items from these other sources meet Franchisor's specifications and standards. These specifications and standards will be set forth in the Manuals and will, among other things, relate to quality, durability, value, cleanliness, composition, strength and the suppliers' capacity and facility to supply Franchisee's needs in the quantities, at the times, and with the reliability necessary for efficient operation. Franchisor may require that samples from any supplier be delivered to a designated independent testing laboratory or existing Wing It On location for testing before approval and use. Franchisee will reimburse Franchisor for the actual cost of the tests. Franchisor may license any supplier that can meet or exceed Franchisor's quality control requirements and standards, for a reasonable license fee, to produce and deliver Wing It On! products to Franchisee but to no other person. Franchisor's confidential requirements, systems, and formulas will be revealed to potential suppliers only after Franchisor has received reasonable evidence that the proposed supplier is trustworthy and reputable; has the capacity to consistently follow Franchisor's standards, requirements and testing procedures; will maintain the confidentiality of the designs, systems and formulas; and will adequately supply Franchisee's reasonable needs. Franchisor will not unreasonably withhold approval of a supplier Franchisee proposes. Franchisor will notify Franchisee in writing of the approval or disapproval of any supplier Franchisor proposes within 30 days of receiving written notice from Franchisee of Franchisee's request for approval. Franchisor shall have the right, in its sole discretion, to inspect the facilities, plants, or other places of business of any approved supplier to ensure that such supplier is in compliance with Franchisor's standards and specifications. In the event such supplier is not in compliance with Franchisor's standards and specifications or should Franchisor determine that such supplier no longer meets any of requirements set forth in this Article 5.1.3, Franchisor shall revoke its approval of such supplier and shall supply written notice of such revocation to

Franchisee. Franchisee shall discontinue its use of any such supplier for which Franchisor revokes its approval immediately upon receiving notice from Franchisor.

**5.1.4** Franchisee agrees and acknowledges that certain products, equipment, supplies, and materials must be purchased from Franchisor, Franchisor's affiliates, or Franchisor's approved suppliers, notwithstanding the terms of Article 5.1.3. The purchase of such products, equipment, supplies, and materials shall not be subject to any process for the proposal of an alternate supplier.

**5.1.5** Authorized Services or Products shall be marketed by approved offering formats to be utilized in Franchisee's Wing It On!. The approved and authorized offering format(s) may include, in Franchisor's discretion, requirements concerning the organization, graphics, product and service descriptions, illustrations, and any other matters related to those offered, whether or not similar to those listed. In Franchisor's discretion, the Authorized Services and Products offered and/or offering format(s) may vary depending upon region, market size, and other factors. Franchisor may change the offering format and/or authorize non-uniform Authorized Services and Products for Wing It On's within certain regions, in which case Franchisee will be given a reasonable time (not longer than 30 days) to discontinue use of any old offering format(s) and/or Authorized Services and Products and implement use of the new offering format(s) and/or Authorized Services and Products.

**5.1.6** Franchisee must register for and participate in the Wing It On! online ordering program. Online Ordering may only be provided by Franchisor's current approved vendor of online ordering services. You must begin the registration process no less than 30 days prior to opening your Wing It On! opening.

**5.1.7** Franchisee shall, upon receipt of notice from Franchisor, add any Authorized Service or Product to those offered according to the instructions contained in the notice including, but not limited to, notice of any amendment or modifications to the Manuals. Franchisee shall have a minimum of 30 days after receipt of written notice in which to fully implement any such change. Franchisee shall cease selling any previously Authorized Service or Product within 30 days after receipt of notice that the service or product is no longer authorized.

**5.1.8** The Authorized Services and Products sold by Franchisee shall be of the highest quality, and the preparation and delivery of services and the quality of the products shall comply with the instructions and recipes provided by Franchisor or contained in the Manuals, and with the further requirements of Franchisor as Franchisor communicates its requirements to Franchisee from time to time.

## 5.2 COMPLIANCE

Franchisee shall operate its Wing It On! as an organized, legal and respectable business in accordance with the Franchisor's business standards and merchandising policies, and shall comply with all applicable federal, state and local laws, statutes, ordinances and regulations governing the operation of such business and shall not allow any Wing It On! to be used for any immoral or illegal purpose.

## 5.3 FRANCHISEE AND EMPLOYEE APPEARANCE

Franchisee shall cause all employees while working in its Wing It On!, to present a neat and clean appearance, including wearing an approved Wing It On! uniform and hat.

## 5.4 OTHER EQUIPMENT

Certain equipment is required by the Franchisor to be used by the Franchisee, and no other equipment shall be installed or maintained at Franchisee's Wing It On! without Franchisor's written approval. Reference the Equipment Spec List addendum in the Operations Manual for a current list of Franchisor's required and approved equipment.

## 5.5 INSPECTION

**5.5.1** Franchisor's authorized representatives shall have the right to enter upon the entire premises of Franchisee's Wing It On! during business hours, without unreasonably disrupting Franchisee's business operations, for the purposes of examining, in all respects to determine whether the business is being conducted in accordance with this Agreement, the System and the Manuals.

**5.5.2** In the event any such inspection indicates any deficiency or unsatisfactory condition with respect to any matter required under this Agreement or the Manuals or by the System, Franchisor will notify Franchisee in writing of Franchisee's non-compliance with the Manuals, the System, or this Agreement. Franchisee shall have 7 days after receipt of such notice or such other greater time period as Franchisor in its sole discretion may provide, to correct or repair such deficiency or unsatisfactory condition, if it can be corrected within such period of time. If not, Franchisee shall within such time period commence such correction and thereafter diligently pursue it to completion.

**5.5.3** If any inspection conducted by Franchisor or its designee reveals that the Franchised Business fails to meet System Standards, Franchisor may charge the then-current standard re-inspection fee. Franchisee's failure to achieve or exceed System Standards in two (2) inspections in any twenty (24) month period is a material breach of this agreement, for which Franchisor, in addition to its other legal and equitable remedies, may terminate this Agreement, refuse to renew the Franchise granted under this agreement, or reduce the geographic size of the Territory.

# ARTICLE 6. ADVERTISING SOCIAL MEDIA AND REGIONAL ASSOCIATIONS

**6.1** Franchisee acknowledges the value of advertising, and accordingly, agrees, at the time required in a written notice from Franchisor to Franchisee, to pay to Franchisor two and one-half percent (2.5%) of Franchisee's Gross Revenue for Restaurant Franchised Businesses and two and one-half percent (2.5%) of Franchisee's Gross Revenue or $250 per month, whichever is greater, for Food Truck Franchised Businesses for each and every month thereafter of its Wing It On! operations (the "Marketing Fund Contribution"). Franchisee also shall pay to Franchisor one and one-half percent (1.5%) of Franchisee's Gross Revenue to be spent by Franchisor on local advertising in Franchisee's local market area (the "Local Advertising Contribution"). In Franchisor's sole discretion, this Marketing Fund Contribution may be deposited (with other advertising collections) into segregated advertising accounts controlled by the Franchisor or may be transferred into a regional advertising account covering Franchisee's Wing It On!, in proportions and at times that Franchisor determines from time to time. The Marketing Fund Contribution shall then be spent for advertising to benefit Franchisee and/or all franchisees of Wing It Ons, and to cover Franchisor's reasonable costs of collecting, managing and disbursing the Marketing Fund Contribution, not to exceed .25 %, but shall not be required to be spent to benefit Franchisee in direct proportion to its contributions. The Local Advertising Contribution will be spent by Franchisor on advertising in Franchisee's local market area that will, in Franchisor's determination, benefit Franchisee's business. The Marketing Fund Contribution shall be paid by Franchisee in accordance with the procedures described in Article 8. Franchisor, in its sole discretion, may spend advertising collections (including the Marketing Fund Contribution) directly, or may authorize others to spend advertising collections, for media time, production of media materials, whether for radio, television, newspapers or local level materials such as flyers, or posters, or for any other type of advertising or marketing use. Franchisor is not, under any circumstances, obligated to contribute any advertising collections to any national or regional Marketing Fund, program, association or other organization.

**6.2** Franchisor shall provide Franchisee with marketing objectives, directives, advertising copy and/or advertising samples which must be used by Franchisee in its promotions. Franchisee must obtain Franchisor's written consent to use marketing and advertising materials other than those provided by Franchisor, including those marketing and advertising materials used by Franchisee for any additional local advertising Franchisee may wish to conduct and in Franchisee's grand opening advertising. Franchisee shall submit all marketing and advertising materials to Franchisor for Franchisor's approval and shall not use any marketing or advertising materials until they have been approved by Franchisor. Franchisee's marketing and advertising activities shall comply in all respects with the Manuals including, but not limited to, its obligation to maintain a business phone listing. Any website shall be considered to be marketing and advertising material and shall be subject to the terms of this Agreement and the Manuals. Franchise shall not conduct any marketing or advertising activities outside of the Territory without Franchisor's prior written consent including, but not limited to: (1) soliciting customers whose addresses are outside of the Territory; (2) advertising in any media that primarily is circulated outside of the Territory; or (3) marketing independently on the Internet or acquire an independent Internet domain name or website. Only Franchisor shall have the right and ability to conduct national or regional marketing or advertising.

**6.3** Franchisor retains the sole right to market on the Internet, including all use of websites, domain names, URL's, linking, meta-tags, advertising, auction sites, and e-commerce arrangements. Franchisee shall provide Franchisor with content for Franchisor's Internet marketing and follow Franchisor's Intranet and Internet usage requirements. Franchisor also retains the sole right to use the Marks on the Internet. Franchisor retains the right to approve any linking or other use of our website. Franchisee may not establish a presence on or market using the Internet except as Franchisor may specify in the Manuals or otherwise, and only with Franchisor's prior written consent. Franchisor intends that any Franchisee website is accessed only through Franchisor's home page. Subject to the terms of use on Franchisor's website, Franchisor may gather, develop and use in any lawful manner information about any visitor to the website, including, but not limed to, Franchisee's customers, other franchisees or prospective franchisees regardless of whether they were referred to Franchisee via Franchisor’s website or were otherwise in contact with Franchisee.

**6.4** In addition to the Marketing Fund Contribution and the Local Advertising Contribution, Franchisee shall expend no less than $3,500 to $10,500 for Restaurant Franchises and $1,500 to $5,000 for Food Truck on approved grand opening advertising during the first three months of the operation of its Wing It On!.

**6.5 <u>SOCIAL MEDIA</u>**

**6.5.1** Franchisor’s marketing team shall retain the sole right to establish any social media footprint including but not limited to establishing a Snapchat account, Facebook location page, Instagram account, Twitter account, LinkedIn business profile, Google Places/Google Plus listings, and Pinterest page.

**6.5.2** Franchisee may choose to designate a social media manager. The name of this individual must be provided to the Franchisor in writing. The designated social media manager must, at a minimum, have a registered and active personal Facebook account. Franchisor will then add franchisee’s designated social media manager as Admin to all applicable social media formats/pages. Social Media Manager may then respond to customer service issues/inquiries directly on behalf of Franchisee’s business only.

**6.5.3** If Franchisee elects not to designate a social media manager, Franchisor may then use its best judgment to handle all customer service issues/inquiries on behalf of the Franchisee. This may include occasionally offering coupons, refunds & free or discounted product at the expense of the Franchisee to resolve complaints/issues. Franchisor has no obligation to notify Franchisee in advance of such decisions if Franchisee does not elect to utilize its own social media manager.

**6.5.4** Franchisor, at its discretion, may remove any social media manager from their role if it is deemed that the social media manager is not acting in a professional and courteous manager in accordance with Wing It On! standards and policies. This may include but is not limited to the use of profanity, hostile interactions with customers, inappropriate use of the Wing It On! logos and trademarks, the posting of inappropriate photos, posting of topics unrelated to food service, posting of inflammatory racial, religious or political opinions, etc. If a social media manager is removed, the Franchisee will have the option to name a successor.

## ARTICLE 7. FRANCHISOR’S MARKS AND ADDITIONAL MARKS

**7.1** The license and related rights to use the System, the Manuals, Franchisor’s Marks and any other proprietary information, products, or services granted by this Agreement are applicable only with respect to Franchisee’s Wing It On!, and not elsewhere, except in the event of a relocation approved in writing by Franchisor. This Agreement does not authorize any other non-traditional delivery systems. Franchisor may, at our sole discretion, authorize third-party customer delivery product and services via approved or designed vendors upon written approval which may be revoked upon 7 days’ notice to Franchise.

**7.2** Franchisee shall not interfere in any manner with or attempt to prohibit, the use of Franchisor’s Marks by any other franchisee of Franchisor.

**7.3** Franchisor may, from time to time, in Franchisor's sole discretion, obtain additional trademark and/or service mark rights in words and/or designs including, but not limited to, changes or modifications to any currently existing Marks. In the event of any of these occurrences, Franchisor may license Franchisee to use those trademarks or service marks by giving written notification to Franchisee that such marks now form part of Franchisor's Marks. The term of such license will be coextensive with the term of this Agreement or as otherwise established by Franchisor and will be subject to all restrictions with respect to the use of those rights as set forth in this Agreement and in the notice granting Franchisee the license. Franchisee shall accept, use and protect any additional trademark and/or service mark rights obtained by Franchisor. Franchisee shall bear all costs and expenses that may be reasonably related to Franchisor's provision of additional trademark and/or service mark rights. Under no circumstances shall Franchisor be liable to Franchisee for any damages, costs, losses or detriments related to Franchisor's provision of additional trademark and/or service mark rights.

**7.4** Franchisor reserves the right, in its sole discretion, to license the use of the trademarks, service marks, trade names or any other proprietary materials to any other entity, including, but not limited to, other franchisees and any supplier, manufacturer or affiliate that may, for example, sell equipment or products identified by the trademarks, service marks, trade names or any other proprietary materials to franchisees or others operating under other brand names, even if those franchisees or others are operating in close proximity to Franchisee's Wing It On!.

**7.5** Franchisee immediately shall notify Franchisor of any infringement of, or challenge to, Franchisee's use of the Marks or any marks identical to or confusingly similar to the Marks, including any claims of infringement or unfair competition. While Franchisor will make reasonable efforts to protect Franchisee's rights to use the Marks, Franchisor will have sole discretion to take or not to take action, as Franchisor may deem appropriate. If Franchisor shall undertake the defense or prosecution of any litigation or administrative action involving Franchisee or any litigation or administrative action involving the Marks, Franchisee agrees to execute any and all documents and to do all acts and things that in the opinion of Franchisor's counsel are necessary or advisable to carry out the defense or prosecution. This may be done either in Franchisor's name or in Franchisee's name, as Franchisor will elect. Franchisor will not be required to participate in Franchisee's defense or indemnify Franchisee for expenses or damages if Franchisee is a party to an administrative or judicial proceeding involving the Marks or if the proceedings are resolved unfavorably to Franchisee. Instead, at any time, Franchisee will modify or discontinue use of any franchise names or Marks or will use one or more substitute names or marks, if Franchisor so directs in writing at any time. Franchisor's sole obligation in this event will be to reimburse Franchisee its tangible costs in complying with Franchisor's direction (i.e., cost of changing signs, stationery, etc.). Under no circumstances will Franchisor be liable to Franchisee for any other damages, costs, losses, rights or detriments related to any modification, discontinuance or substitution. All obligations or requirements imposed upon Franchisee relating to the Marks will apply with equal force to any modified or substituted names or marks. Franchisee must follow Franchisor's rules when it uses the Marks. Franchisee may not use the Marks in any manner Franchisor has not authorized in writing.

**7.6** All goodwill associated with the Marks, including any goodwill that might be deemed to have arisen through Franchisee's activities, will accrue directly and exclusively to Franchisor's benefit, except as otherwise provided by applicable law.

- Franchisee may not use or give others permission to use the Marks or any colorable imitation of them, combined with any other words or phrases.

**7.8** Franchisor may require Franchisee to use certain copyrighted materials. Any copyrighted materials shall be the sole and exclusive property of Franchisor. Franchisee shall have no rights to any copyrighted materials and shall use any copyrighted materials solely in connection with the operation of its Wing It On! and in accordance with Franchisor's directions and instructions. Franchisee shall not contest Franchisor's rights to any copyrighted materials used by Franchisor.

**7.9** Franchisee shall contact Franchisor immediately should Franchisee learn of any unauthorized use of the Marks or any other proprietary information or materials owned by Franchisor. Franchisee shall assist Franchisor as may be necessary to prevent the further unauthorized use of the Marks or any other proprietary information or materials and to remedy any injuries suffered by Franchisor as a result of any prior unauthorized uses of the Marks or any other proprietary information. Such assistance may include, but may not be limited to, participation in lawsuits, administrative proceedings or regulatory proceedings.

## ARTICLE 8. ROYALTY FEES, REPORTS, BOOKS AND RECORDS

### 8.1 ROYALTY FEES

**8.1.1** Franchisee shall pay to Franchisor, monthly on or before the 5th day of each month, during the term of this Agreement and any renewals or extensions thereof, 6% of the monthly gross revenue of Franchisee's Wing It On! of a Restaurant Franchised Businesses and 6% of monthly Gross Revenue or $600 per month, whichever is greater, for Food Truck Franchised Businesses for the immediately preceding month (the "Royalty Fee"). For the purposes of this Agreement, "Gross Revenues" means total revenues arising from receipts generated by Franchisee's Wing It On! from any source, whether in cash or for credit (and, if for credit, whether or not payment is received therefore), including, but not limited to sales, exchanges, services labor, products, supplies, insurance proceeds, and compensation received as a result of any eminent domain recovery. Gross Revenues shall not include bona fide returns credits for returns of merchandise, promotional discounts, or amounts collected and paid to governmental authorities under the provisions of any sales tax, retailer's occupation, or similar law or regulation.

**8.1.2** At Franchisor's request, Franchisee shall promptly execute or re-execute, within 5 days after Franchisor's request, and deliver to Franchisor appropriate pre-authorized check forms or such other instruments or drafts required by Franchisor's bank, or as may be set forth in the Manuals, payable against Franchisee's bank account, to enable Franchisor to electronically (draft on Franchisee's account by electronic withdrawal), collect the Royalty Fee payable under the terms of this Agreement.

**8.1.3** Franchisee shall report its Gross Revenues for the preceding month to Franchisor in accordance with the procedures set forth in the Manuals. This report shall be submitted together with Franchisee's Royalty Fees and Marketing Fund Contribution (as applicable). If Franchisee fails to report its Gross Revenues on a timely basis, Franchisor may estimate the amount of Franchisee's Gross Revenues. Franchisor will then deposit or transfer the reported, or in the absence of a report, the estimated amounts due into its own account, using Franchisee's pre-authorized checks or other instruments. If any draft, electronic or otherwise is unpaid because of insufficient funds or otherwise, then Franchisee shall pay Franchisor's expenses arising from such non-payment, including bank fees in the amount of at least $45, hourly staff charges arising from such default, and any other related expenses incurred by Franchisor. By the 5th day of each month, Franchisee shall pay to Franchisor any sums unpaid for the prior month to adjust for Gross Revenues owed for any partial month or revenues that were unpaid, improperly recorded or not credited on Franchisee's books and records. Franchisee hereby agrees to pay any sales, use or other tax now or hereinafter imposed on franchise fees, Marketing Fund Contributions, or any additional fees, by federal, state or local governmental authorities. Franchisor, in its sole discretion, may collect the taxes in the same manner as franchise fees are collected herein. If Franchisor collects such taxes, Franchisor shall promptly pay the tax collections to the appropriate governmental authority.

**8.1.4** Franchisee shall be liable to Franchisor for late charges in the amount of 1.5% of any amount due and owing to Franchisor that is unpaid by Franchisee. Late charges shall begin to accrue the day after any payment is due to Franchisor and shall continue to accrue at the rate of 1.5% per month until the amount due and owing to Franchisor is paid in full.

## 8.2 REPORTS AND INSPECTION OF RECORDS

**8.2.1** Franchisee shall submit to Franchisor a monthly Profit and Loss Statement, signed, and certified by Franchisee. The Profit and Loss Statement shall be prepared in accordance with generally accepted accounting principles, and shall provide Franchisee's sales, expenses, and financial status with respect to Franchisee's Wing It On!. Franchisee shall submit to Franchisor a copy of the original signed 1120 or 1120S tax form each and every year or any other forms which take the place of the 1120 or 1120S forms, upon Franchisor's request. Franchisor reserves the right to require such further information concerning Franchisee's Wing It On! as Franchisor may from time-to-time reasonably request.

**8.2.2** Upon 10 days prior written notice, Franchisor, its agents, or representatives may audit Franchisee's books, reports, records, statements, cash control devices, and tax returns in accordance with generally accepted standards established by certified public accountants. Any audit shall occur during Franchisee's normal business hours. In connection with such audit(s) or other operational visits, Franchisee agrees to keep its records of cash receipts, weekly and monthly control forms, accounts payable records, including all payments to Franchisee's suppliers, at its Wing It On! or at its business office for 3 years after their payment date, due date, or other date indicated on the respective record if it does not contain a payment date or due date, which records shall be available for examination by Franchisor, its agents or representatives who may inspect Franchisee's entire Wing It On! and Franchisee's daily, weekly and monthly statistical information which is required under the Manual. Franchisee shall make such information available for such inspections in recognition that an operational inspection cannot succeed without review of essential statistical information.

**8.2.3** Audits shall be conducted at Franchisor's expense, unless Franchisee has understated its Gross Revenues for any reported period or periods by more than 5% or has failed to deliver any required report of Gross Revenues or any other financial statement in a timely manner. In the event of an understatement of Gross Revenues by more than 5% or a failure to timely deliver any financial statement, Franchisee shall be responsible for all audit costs and expenses. These costs and expenses may include but are not limited to, the charges of any independent accountant and the travel expenses, lodging expenses, and compensation of Franchisor's employees incurred in connection with the audit. Franchise immediately will pay any Royalty Fees, Marketing Fund Contributions, and any other fees or costs that an audit determines are owed. Franchisee's payment of these amounts shall not prejudice any other remedies Franchisor may have under this Agreement or applicable law.

**8.2.4** Franchisee acknowledges that Franchisor's Operations Department regularly reviews ongoing operations of Wing It On! to ensure consistency of services and products in compliance with the Manuals and this Agreement. Franchisee agrees to promptly complete and submits all forms requested by Franchisor's Operations Department, whether on a daily, weekly or monthly basis. Non-compliance with this obligation constitutes a material violation of this Agreement.

## ARTICLE 9. COVENANT REGARDING OTHER BUSINESS INTERESTS

**9.1** For purposes of this Article only, "Franchisee" shall mean and include the individual Franchisee; Franchisee's spouse and minor children; Franchisee's designated managers for its Wing It On!; and Franchisee's shareholders, officers, and directors, if Franchisee is a corporation; and any one or more partners, members, or participants in Franchisee, if Franchisee is a partnership or joint venture, or limited liability company.

**9.2** Franchisee acknowledges that the Wing It On! System is unique and distinctive and has been developed by Franchisor at great effort, time and expense, and that Franchisee has regular and continuing access to valuable and confidential information, training, and trade secrets regarding the Wing It On! System. Franchisee recognizes its obligations to keep confidential, such information as set forth herein. Franchisee, therefore, agrees as follows:

**9.2.1** During the term of this Agreement, except with Franchisor's prior written consent, Franchisee shall not, in any capacity whatsoever, either directly or indirectly, individually or as a member of any business organization, engage in the production or sale at retail or wholesale of any type of product or service not authorized by Franchisor, whether now or in the future, for use or sale in Franchisee's Wing It On!, or have any employment or interest in any firm or business engaged in the production, manufacture, or distribution of Authorized Products or Services or any other products or services that may be sold or used in Franchisee's Wing It On!; and

**9.2.2** Upon the termination or non-renewal of this Agreement, or if Franchisee assigns or transfers its interest herein to any person or business entity, or if any person identified in the first paragraph of this Article terminates its relationship with Franchisee, then for a period of two (2) years thereafter, Franchisee shall not, in any capacity whatsoever either directly or indirectly, individually or as a member of any business entity, firm or organization, engage in the production or sale at retail of any of the same type of Authorized Services or Products, at a site within a radius of 50 miles of any of Franchisee's former Wing It On! or within 50 miles of any other Wing It On! franchise then existing or any company owned outlet then existing, unless Franchisor gives its prior written consent. If Franchisee violates the terms of this paragraph, Franchisee shall pay to

Franchisor, as liquidated damages, an amount equal to 6% percent of the Gross Revenues achieved or $600 per month, whichever is greater at the site during the continuation of such violation.

**9.2.3** If any portion of the above covenants violates laws affecting Franchisee or is held invalid or unenforceable in a final judgment to which Franchisor and Franchisee are parties, then the maximum legally allowable restriction permitted by law shall control and bind Franchisee. Franchisor may at any time unilaterally reduce the scope of any part of the above covenants, and Franchisee shall comply with any such reduced covenant upon receipt of written notice.

**9.3** The provisions of this Article shall not limit, restrain or otherwise affect any right or cause of action which may accrue to Franchisor for any infringement of, violation of, or interference with, this Agreement, or Franchisor's Marks, System, trade secrets, or any other proprietary aspects of Franchisor's business.

## ARTICLE 10. INTERFERENCE WITH EMPLOYMENT RELATIONS

Without Franchisor's prior written consent, during the term of this Agreement, Franchisee shall not employ or seek to employ, directly or indirectly, any person serving in an executive, managerial, or operational position, who is at the time or was at any time during the prior 6 months, employed by Franchisor or any of its subsidiaries or affiliates. Request for Franchisor's consent for such employment shall be sent and addressed in writing to Franchisor's Operations Manager and to its legal counsel.

## ARTICLE 11. SALESMEN

As this Agreement may not have been executed by the Franchisee at the office of Franchisor, Franchisor requires certain assurances that this Agreement has been sold in accordance with applicable laws, rules and regulations. Accordingly, in order to induce Franchisor to execute this Agreement, Franchisee agrees to execute a rider to this Agreement that acknowledges that Franchisor is relying upon the acknowledgments, representations, and commitments of Franchisee that no other salesman, staff member, entity, or associate of Franchisor has met Franchisee regarding this franchise sale or the offer and acceptance thereof other than those set forth in the rider. The rider shall identify all salespersons involved in the sales, negotiation, and execution of this Agreement and shall identify the area developer if any.

## ARTICLE 12. NATURE OF INTEREST, AND TRANSFER

### 12.1 <u>GENERAL PROVISIONS</u>

**12.1.1** This Agreement shall inure to the benefit of the successors and assigns of Franchisor. Franchisor shall have the right to transfer or assign this Agreement to any person or legal entity who assumes its terms and agrees to comply with Franchisor's obligations contained herein, without notice to Franchisee. Franchisor shall have no liability for the performance of any obligations contained in this Agreement after the effective date of such transfer or assignment.

**12.1.2** The rights and duties created by this Agreement are personal to Franchisee. Accordingly, except as otherwise permitted herein, neither Franchisee nor any person with an interest in Franchisee shall, without Franchisor's prior written consent, directly or indirectly sell, assign, transfer, convey, give away, pledge, mortgage, or otherwise encumber any direct or indirect interest of this Agreement or, if Franchisee is a partnership, joint venture, limited liability company, or corporation, any direct or indirect interest in Franchisee. Any such purported assignment occurring by operation of law or otherwise without Franchisor's prior written consent shall constitute a default under this Agreement by Franchisee and shall be null and void. Except in the instance of Franchisee advertising to sell its business pursuant to the terms hereof, Franchisee shall not, without Franchisor's prior written consent, offer for sale or transfer at public or private auction or advertise publicly for sale or transfer, the furnishings, interior and exterior decor items, supplies, fixtures, equipment, or the real or personal property used in connection with Franchisee's Wing It On!.

## 12.2 <u>CONSENT TO TRANSFER</u>

For all proposed transfers or assignments of this Agreement, and transfers of 51% or more of the outstanding and issued stock or units of Franchisee by one or more transfers which, directly or indirectly, effectively changes management control of Franchisee, Franchisor shall not be required to give its consent unless all of the following conditions are met prior to the effective date of assignment:

**12.2.1** Upon the execution of this Agreement and upon each direct or indirect transfer of an interest in this Agreement or in Franchisee and at any other time upon Franchisor's request, Franchisee shall, within 5 days prior to such transfer or any other time at Franchisor's request, furnish Franchisor with an estoppel agreement indicating any and all causes of action, if any, that Franchisee may have against Franchisor or if none exist, a statement to that effect, and a list of all shareholders, partners or members having an interest in this Agreement or in Franchisee, the percentage interest of each shareholder, partner or member, and a list of all officers and directors, in such form as Franchisor may require;

**12.2.2** Franchisee's written request for transfer or assignment of either a partial or whole interest in this Agreement or Franchisee's Wing It On! must be accompanied by an offer to Franchisor of a right of first refusal at the same price offered by any bona fide buyer, less $10,000. Franchisor shall have the right and option, exercisable within 15 days after receipt of such written request, to send written notice to Franchisee or such person that Franchisor or its third-party designee intends to purchase the interest which is proposed to be transferred or assigned, on the same terms and conditions offered by the third party. If Franchisee accepts such offer, the $10,000 administrative/transfer fee due from Franchisee in accordance with this Article 12 shall be waived by Franchisor. Any material change in terms of an offer prior to closing shall cause it to be deemed a new offer, subject to the same right of first refusal by Franchisor, or its third-party designee, as in the case of the initial offer. Franchisor's failure to exercise such option shall not constitute a waiver of any other provision of this Agreement, including any of the requirements of this Article with respect to the proposed transfer or assignment;

**12.2.3** Franchisee is not in default under the terms of this Agreement, the Manuals or any other obligations owed Franchisor, and all of its then-due monetary obligations to Franchisor have been paid in full;

**12.2.4** Franchisee and its shareholders, partners or members, if the Franchisee is a corporation, partnership or limited liability company, have executed a general release under seal, in a form prescribed by Franchisor, of any and all claims against Franchisor, its affiliates, subsidiaries, shareholders, members, partners, directors, officers, area representatives and employees;

**12.2.5** The transferee/assignee has demonstrated to Franchisor's satisfaction that it meets all of Franchisor's then-current requirements for new franchisees or for holders of an interest in a franchise, including, without limitation, possession of good moral character and reputation, satisfactory credit ratings, acceptable business qualifications, and the ability to fully comply with the terms of this Agreement;

**12.2.6** The transferee/assignee has assumed this Agreement by a written assumption agreement approved by Franchisor or has agreed to do so at closing, and at closing does execute an assumption agreement approved by Franchisor;

**12.2.7** The transferee/assignee agrees that within 60 days of the closing of the transfer or assignment, transferee/assignee shall purchase all required products, equipment supplies, and materials needed to operate a Wing It On! and agrees to the replacement of any products equipment, supplies or materials that no longer meet Franchisor's specifications;

**12.2.8** The transferee/assignee, its manager or other employees responsible for the operation of the Wing It On! have satisfactorily completed Franchisor's mandatory initial training program;

**12.2.9** The transferee/assignee executes such other documents as Franchisor may require, including a replacement franchise agreement on the then-standard franchise agreement form by Franchisor, in order to assume all of the obligations of this Agreement, to the same extent, and with the same effect, as previously assumed by the assignor; and

**12.2.10** At the closing of Franchisee's sale transaction, Franchisee pays to Franchisor an administrative/transfer fee of $10,000, except that this transfer fee shall not be due: (i) with respect to any transfer that (together with all other related previous, simultaneous or proposed transfers) does not result in the transfer of control of Franchisee; or (ii) with respect to any transfer to a wholly owned entity of Franchisee.

**12.2.11** Franchisee's rights may pass to Franchisee's next of kin or legatee if they assume Franchisee's obligations and attend and complete Franchisor's mandatory initial training program. Upon Franchisee's disability, Franchisee may sell the franchise or keep it, if it is operated by trained personnel.

**12.2.12** Franchisor's consent to a transfer or assignment shall not constitute a waiver of any claims it may have against the transferring party arising out of this Agreement or otherwise.

**12.2.13** If Franchisee is an individual, Franchisor hereby consents to the assignment of this Agreement and any and all obligations referable thereto without any fee charged by Franchisor to a corporation or limited liability company principally owned by Franchisee within 90 days from the date hereof. Upon such assignment and assumption by the corporation or limited liability company, along with the delivery of executed originals of same to Franchisor, an individual Franchisee shall not be released from any and all personal liability.

## ARTICLE 13. TERM, DEFAULT, AND TERMINATION

### 13.1 <u>TERM</u>

**13.1.1** Provided Franchisee is not in default of the terms and obligations contained in its lease, if applicable, and this Agreement, this Agreement shall continue for a period of 10 years.

**13.1.2** Franchisee may renew the rights granted by this Agreement for 2 additional terms of 10 years each, subject to the following conditions:

**13.1.2.1** Franchisee gives Franchisor written notice of Franchisee's election to renew not less than 12 months before the end of the then-current term, and pays the renewal fee of $15,000 at least 30 days prior to the commencement of any renewal term;

**13.1.2.2** Franchisee is not in default of any provision of this Agreement or any amendments to this Agreement, lease (if any), the Manuals or any monetary obligation owed to Franchisor or its affiliates; and

**13.1.2.3** At Franchisor's request, Franchisee shall undertake and complete, where applicable, the reasonable renovation or modernization of its Wing It On!.

### 13.2 <u>TERMINATION – AUTOMATIC WITHOUT NOTICE</u>

Franchisee will be in default of this Agreement, and all rights granted in this Agreement will immediately and automatically terminate and revert to Franchisor without notice to Franchisee, if: Franchisee, Franchisee's Wing It On!, or the business to which Franchisee's Wing It On! relates is adjudicated as bankrupt or insolvent; all or a substantial part of the assets thereof are assigned to or for the benefit of any creditor; a petition in bankruptcy is filed by or against Franchisee, the business to which Franchisee's Wing It On! relates, or Franchisee's Wing It On! and is not immediately contested and/or dismissed within 60 days from filing; a bill in equity or other proceeding for the appointment of a receiver or other custodian of Franchisee, the business to which Franchisee's Wing It On! relates or Franchisee's Wing It On! or assets of any of them is filed and consented to by Franchisee; a receiver or other custodian (permanent or temporary) of all or part of Franchisee's assets or property is appointed by any court of competent jurisdiction; proceedings for a composition with creditors under any state or federal law are instituted by or against Franchisee, the business to which Franchisee's Wing It On! relates or Franchisee's Wing It On!; Franchisee is dissolved; execution is levied against Franchisee, the business to which Franchisee's Wing It On! relates, Franchisee's Wing It On! or Franchisee's property; or, the real or personal property of the business to which Franchisee's Wing It On! relates or Franchisee's Wing It On! is sold after levy thereon by any governmental body or agency, sheriff, marshal or constable.

## 13.3 TERMINATION UPON NOTICE WITHOUT OPPORTUNITY TO CURE

Franchisee shall be in material default and Franchisor may, at its option, terminate this Agreement and all rights granted under this Agreement, without giving Franchisee any opportunity to cure the default, effective immediately upon Franchisee's receipt of written notice (which, whether sent by certified mail, registered mail, overnight courier or personal delivery), will be deemed to have been received by Franchisee upon delivery or first attempted delivery of the notice to Franchisee upon the occurrence of any of the following events:

**13.3.1** Franchisee loses the right to possession of the Site of the Restaurant Franchise, Commissary, or Mobile Truck as application, out of which it operates its Wing It On!, provided however, that if the loss of possession results from government exercise of its power of eminent domain, or if, through no fault of Franchisee, the premises are damaged or destroyed, then Franchisee will have 60 days after this event to apply for Franchisor's approval to relocate or reconstruct the premises in accordance with the terms of this Agreement. This approval may not be unreasonably withheld, but it will be reasonable for Franchisor to withhold approval if the re-opening of Franchise's Wing It On! does not occur within 180 days of the closing of Franchise's Wing It On! Furthermore, upon this occurrence Franchisee shall forfeit the Initial Franchise Fee;

**13.3.2** Franchisee has been or is knowingly or intentionally concealing revenues, maintaining false books or records, or submitting any false report or payment to or otherwise defrauding Franchisor ;

**13.3.3** Franchisee omitted or misrepresented any material fact in the information furnished to Franchisor in connection with Franchisor's decision to enter into this Agreement;

**13.3.4** Franchisee's operation of the Wing It On! licensed pursuant to this Agreement is so contrary to this Agreement, the System and the Manuals as to constitute an imminent danger to the public, or Franchisee is selling unauthorized products and services to the public after notice of default and continues to sell such unauthorized products and services whether or not Franchisee has cured the default after one or more notices;

**13.3.5** The conviction of a felony, or a crime involving moral turpitude, or any other crime or offense that is reasonably likely, in the sole reasonable opinion of Franchisor, to adversely affect the System, the Marks, the goodwill associated with the System or Franchisor's interest in each of them by Franchisee, or its controlling or operating shareholders if Franchisee is a corporation, or Franchisee's controlling or operating members if Franchisee is a limited liability company, or Franchisee's partners if Franchisee is a partnership, excluding non-managing partners;

**13.3.6** Franchisee's failure to comply with the covenant not to compete during the term of this Agreement, or intentional disclosure or use of the contents of the Manuals, trade secrets, or confidential or proprietary information provided to Franchisee by Franchisor in violation of this Agreement, excluding acts of independent employees or others not under Franchisee's control;

**13.3.7** Franchisee fails to maintain the financial records required by Article 8 of this Agreement;

**13.3.8** An audit of Franchisee's Wing It On! for any period in which the Gross Revenues of Franchisee's Wing It On! as shown by Franchisee's monthly statements to Franchisor discloses understatement by 5% or more for any month of the examination or for the entire period of the examination;

**13.3.9** Franchisee refuses to permit Franchisor to inspect or conduct an operational and/or financial audit of the business to which Franchisee's Wing It On! relates and/or Franchisee's Wing It On!, books, records and other documents pursuant to Franchisor's right to do so as set forth in this Agreement or a Franchisee fails to achieve or exceed System Standards in two (2) inspections in any twenty (24) month period;

**13.3.10** After curing a default under Article 13.4 of this Agreement, Franchisee commits the same default again within six months of the default, even if Franchisee would otherwise be given an opportunity to cure the current default;

**13.3.11** Franchisee repeatedly fails to comply with one or more requirements of this Agreement (2 or more occasions and in any combination in any 12-month period), even if Franchisee cured each such prior default, and even if Franchisee would otherwise be given an opportunity to cure the current default;

**13.3.12** Franchisee fails to comply, for a period of 30 days after notification of noncompliance from Franchisor or any governmental authority, with any federal, state or local laws or regulations applicable to the operation of Franchisee's Wing It On!;

**13.3.13** Franchisee, for a period of 10 days after notification of noncompliance, offers or sells from or at its Wing It On! any unauthorized products or services; do not continue offering and selling all Authorized Services and Products that are part of the Wing It On! System; does not use and disseminate all materials, notices, and procedures specified by Franchisor; or uses or duplicates any aspect of the System, services, programs or Authorized Services and Products in an unauthorized manner;

**13.3.14** Franchisee, without Franchisor's consent, ceases to operate or otherwise abandons its Wing It On! or, upon the destruction of its Wing It On!, fails to rebuild and resume operation within a reasonable time. Cessation of the business shall not constitute a default under this Agreement if caused by condemnation, expiration of a lease pursuant to its terms at execution, natural, governmental, or supplier related causes out of Franchisee's control, or when failure to rebuild following destruction of the Wing It On! is prohibited by law or Franchisee's lease, if applicable. For purposes of this article, ceasing to operate or otherwise abandoning its Wing It On! shall be defined as Franchisee's failure to open its Wing It On! for 5 consecutive days;

**13.3.15** Franchise fails to commence operation of its Wing It On! in accordance with Article 2.

## 13.4 DEFAULTS WITH OPPORTUNITY TO CURE

**13.4.1** Except as otherwise provided in this Agreement, Franchisee shall have 10 days after Franchisor's written notice of default within which to remedy any default under this Agreement and to provide evidence of such remedy to Franchisor. If any default is not cured within 10 days after notice, or such longer period as applicable law may require, Franchisor may, at its option, terminate this Agreement and all rights granted by it, by sending a 5-day written notice of cancellation of this Agreement to Franchisee. Upon the expiration of such 5-day period, this Agreement shall end and expire as if it were the day fixed for termination of this Agreement.

**13.4.2** Franchisee shall be in material default under this Article for any failure to comply with any of the requirements imposed by this Agreement. Such material defaults shall include, without limitation, the occurrence of any of the following events:

**13.4.2.1** Franchisee's failure, refusal, or neglect to promptly pay any monies owed to Franchisor, its subsidiaries, or affiliates, when due, or to submit the financial or other information required by Franchisor under this Agreement;

**13.4.2.2** Franchisee's failure to comply with the standards specified by Franchisor in the Manuals or otherwise;

**13.4.2.3** Franchisee's failure, refusal, or neglect to obtain Franchisor's prior written approval or consent as required by this Agreement;

**13.4.2.4** Franchisee's misuse or unauthorized use of Franchisor's Marks or other material impairment of the goodwill associated therewith or Franchisor's rights therein;

**13.4.2.5** Franchisee's default, without cure after the applicable grace period, under any lease, sublease, mortgage, or deed of trust covering the Site of the Restaurant Franchise, Commissary, or Mobile Truck of its Wing It On!;

**13.4.2.6** Franchisee's failure to procure or maintain the insurance required by this Agreement, or in the lease for the Site of the Restaurant Franchise, Commissary, or Mobile Truck of its Wing It On!, if applicable;

**13.4.2.7** Franchisee's failure, within 10 days after written notice by Franchisor to Franchisee, to cure any default in the performance of any term, condition or obligation in payment of any indebtedness to its landlord, distributors or suppliers or others arising out of the purchase of inventory, supplies, products, equipment or materials for its Wing It On!; lease of the Site of the Restaurant Franchise, Commissary, or Mobile Truck for its Wing It On! (if any); or purchase or lease of the equipment for its Wing It On!, unless Franchisee is determined by a court of competent jurisdiction to be not in default.

13.4.2.8 Franchisor may require Franchisee to enter a Corrective Performance Improvement Plan(CPIP) should the Franchisee not be performing to satisfaction as deemed solely by the Franchisor and is good standing and not in default of any section of this agreement or its intent. Franchisor retains the rights to terminate the agreement and franchisee at its discretion and has no obligation to extend a Corrective Performance Improvement Plan to the Franchisee before termination. Franchisee acknowledges and agrees that the Franchisor retains these rights, will make immediate and best efforts to comply with the Corrective Performance Improvement Plan and improve performance. Franchisee agrees that a failure to improve performance to the satisfaction of the Franchisor may lead to the termination of this agreement and any Franchise rights before, during or after the Corrective Performance Improvement Plan commences.

**13.4.3** Franchisee shall be in material default under this Article if Franchisee credit terms are placed on credit hold by our approved supplier and Franchisee's fails, within 10 days after written notice by Franchisor to get back within agreed upon supplier credit terms.

**13.5** **CROSS DEFAULT** Any default or breach by Franchisee (or any of Franchisee's affiliates) of any other agreement between Franchisor or its affiliates and Franchisee (or any of Franchisee's affiliates) will be considered a default under this Agreement, and any default or breach of this Agreement by Franchisee will be considered a default or breach under any and all other agreements between Franchisor (or any of Franchisor's affiliates) and Franchisee (or any of Franchisee's affiliates). If the nature of the default under any other agreement would have permitted Franchisor to terminate other agreements between Franchisor (or any of Franchisor's affiliates) and Franchisee (or any of Franchisee's affiliates), Franchisor will have the right to terminate all other agreements between Franchisor (or any of Franchisor's affiliates) and Franchisee (or any of Franchisee's affiliates) in the same manner provided by this Agreement.

**13.6** In the event of a default by Franchisee, all of Franchisor's costs and expenses arising from such default, including reasonable legal costs and attorneys' fees (and reasonable hourly charges by Franchisor's administrative employees) shall be paid to Franchisor by Franchisee within 5 days after cure.

**13.7** Notwithstanding the obligations of Franchisee and Franchisor to arbitrate all disputes and other conflicts, Franchisee and Franchisor acknowledge that certain defaults require immediate action to protect the appropriate party. Accordingly, Franchisor and Franchisee each hereby consent to and authorize the other party to apply to any court of competent jurisdiction for judicial assistance in restraining and enjoining violations of this Agreement. Both Franchisor and Franchisee are entitled to an injunction restraining Franchisor or Franchisee from committing or continuing to commit any default, breach or threatened breach of this Agreement, without showing or proving any actual damage sustained by the party seeking such relief.

**13.8** Non-enforcement by Franchisor of any violation or breach of the terms or conditions of this Agreement by Franchisee shall not constitute a waiver of such violation or breach by Franchisor nor shall Franchisor be deemed to have waived any of its rights to enforce compliance by Franchisee with regard to such violation or breach or any other violation or breach of this Agreement.

## ARTICLE 14. RIGHTS AND OBLIGATIONS UPON TERMINATION

Upon the termination of Franchisee's rights granted under this Agreement (whether during the term of the Agreement or at its conclusion) the following apply:

**14.1** Upon termination of this Agreement by lapse of time or by default, Franchisee's right to use Franchisor's Marks, or any other mark, trademark, service mark or trade name distributed by Franchisor or insignia or slogan used in connection therewith, or any confusingly similar mark, trademark, service mark, trade name or insignia or slogan shall cease. Franchisee shall immediately discontinue use of Franchisor's Marks, the System, and color scheme. Franchisee shall at its own cost, make cosmetic changes to Franchisee's Wing It On! from Franchisor's proprietary designs including, but not limited to, the removal of all Wing It On! identifying materials and distinctive Wing It On! designs.

**14.2** Franchisor may retain all fees paid pursuant to this Agreement.

**14.3** Any and all obligations of Franchisor to Franchisee under this Agreement shall immediately cease and terminate.

**14.4** Any and all rights of Franchisee under this Agreement shall immediately cease and terminate.

**14.5** In no event shall a termination or expiration of this Agreement affect Franchisee's obligations to take or abstain from taking any action in accordance with this Agreement. The provisions of this Agreement which constitute post-termination covenants and agreements including the obligation of Franchisor and Franchisee to arbitrate any and all disputes shall survive the termination or expiration of this Agreement.

**14.6** Franchisee acknowledges and agrees that rights in and to Franchisor's Marks and the use thereof shall be and remain the property of Franchisor.

**14.7** If Franchisee has registered any of Franchisor's Marks or the name "Wing It On!" as part of Franchisee's assumed, fictitious or corporate name, Franchisee shall promptly amend such registration to delete Franchisor's Marks and/or the name "Wing It On!" therefrom.

**14.8** Franchisee shall immediately pay any and all amounts owing to Franchisor, its subsidiaries, and affiliates.

**14.9** Franchisee shall immediately return any products, equipment, supplies or materials to Franchisor in accordance with Article 2 if termination of this Agreement results from Franchisee's failure to timely commence operation of its Wing It On!.

**14.10** Franchisor shall have the option, exercisable by written notice within 30 days after the termination of this Agreement, to take an assignment of all telephone numbers (and associated listings) for Franchisee's Wing It On!. Franchisee is not entitled to any compensation from Franchisor if Franchisor exercises this option.

**14.11** If after twelve (12) months as of execution of this agreement, Franchisee prematurely closes or abandons the Facility, or if Franchisor terminates this Agreement because of Franchisee's material default (which includes failure to pay any amounts owing to Franchisor and failure to pay trade creditors as required by this Agreement), Franchisee shall pay to Franchisor, as liquidated damages and not as a penalty, damages in an amount equal to the average monthly Royalty Fee for the 12-month period immediately preceding termination, multiplied by the number of months remaining in the current term, discounted to present value using a discount factor of 6%. If the Facility was closed during any part of such 12-month period, then the Royalty Fee for any month or partial month in which the Facility was closed will be presumed to be the highest monthly Royalty Fee payable during the 12-month period. The parties agree that this discount factor accounts for risk and other variables and is reasonable. Notwithstanding the foregoing, Franchisor may permit Franchisee to close the Facility and waive its right to collect liquidated damages and lost future profit damages based on premature closure of the Facility if: (1) Franchisee delivers to Franchisor written notice of the proposed closure at least sixty (60) days prior to the closure, (2) the notice includes profit and loss statements for the previous 6-month period, prepared according to the accounting method Franchisee uses to prepare Federal income tax reports, (3) the profit and loss statements demonstrate to Franchisor' reasonable satisfaction that the Facility sustained a net cumulative loss during the 6-month period despite Franchisee's compliance with this Agreement and Franchisor' standards, and despite that Franchisee's operating expenses were reasonable in Franchisor' sole judgment, and (4) Franchisee and each person who has guaranteed Franchisee's obligations under this Agreement signs a termination agreement and general release of all claims against Franchisor in a form Franchisor prescribes.

**14.12** Notwithstanding the foregoing, If within the first twelve (12) months after the execution of this agreement, and Franchisee prematurely closes or abandons the Facility, or if Franchisor terminates this Agreement because of Franchisee's material default (which includes failure to pay any amounts owing to Franchisor and failure to pay trade creditors as required by this Agreement), Franchisee shall pay to Franchisor, Franchisor's actual costs prior to abandonment associate with any expenses that Franchisor has incurred with such support, obligations, time, expenses, or lost revenue associated with the operations of Franchisee's Wing It On! business.

## ARTICLE 15. INSURANCE

**15.1** Franchisee shall, where applicable, obtain and maintain continuous insurance coverage which shall in each instance designate Franchisor, and its subsidiaries, as additional named insureds, on a primary and non-contributory basis, with an insurance company approved by Franchisor, which approval shall not be unreasonably withheld, as follows:

**15.1.1** comprehensive general liability insurance (including products and contractual liability); at combined single limits of at least $1,000,000 per occurrence against claims for bodily injury or property damage, or higher if your state law requires;

**15.1.2** worker's compensation insurance or employer liability coverage, as required by applicable law, including coverage of Franchisee, with a minimum limit of $1,000,000;

**15.1.3** "all risk" property insurance, including fire, windstorm, and extended coverage insurance, ensuring the any and all assets of Franchisee's Wing It On! for the full replacement value thereof;

**15.1.4** automobile liability insurance of at least $500,000, or higher if your state law requires (for Food Truck Franchises). Franchisee may not directly or indirectly deliver any Authorized Services or Products until such insurance is obtained and Franchisor is named as an additional insured therein; and

**15.1.6** business interruption insurance with a minimum limit of $100,000.

The insurance required will insure and indemnify and hold harmless us, you, and our respective subsidiaries, affiliates, owners, officers, directors, partners, members, employees, servants, and agents against any loss, liability, products liability, personal injury, death or property damage that may accrue due to your operation of the Franchise. **Your policies of insurance will contain a separate endorsement naming us and are affiliates, as an additional named insured**

**15.2** In the event of damage to the Wing It On! covered by insurance, the proceeds of any such insurance shall be used to restore the Wing It On! to its original condition as soon as possible, unless such restoration is prohibited by the lease for the Site of the Restaurant Franchise, Commissary, or Mobile Truck of Franchisee's Wing It On!, if applicable, or Franchisor has otherwise consented, in writing, to an alternative use of the proceeds. Upon obtaining such insurance, Franchisee shall promptly provide to Franchisor proof of such insurance coverage and/or at such other times upon the request of Franchisor.

**15.3** Franchisee shall, prior to opening its Wing It On!, file with Franchisor, certificates of such insurance and shall promptly pay all premiums on the policies as they become due. In addition, the policies shall contain a provision requiring 30 days prior written notice to Franchisor of any proposed cancellation, modification, or termination of insurance. If Franchisee fails to obtain and maintain the required insurance, Franchisor may, at its option, in addition to any other rights it may have, procure such insurance for Franchisee without notice and Franchisee shall pay, upon demand, the premiums and Franchisor's costs in taking such action. Franchisee's failure to maintain all required insurance for its Wing It On! will be a material violation of this Agreement. Proof of insurance shall be provided by Franchisee to Franchisor annually on the anniversary date of this Agreement.

## ARTICLE 16. SOLE OBLIGATIONS OF FRANCHISOR

**16.1** Franchisor has obligated itself to provide specific services to Franchisee. Franchisor and Franchisee agree that the following are the only required obligations of Franchisor:

**16.1.1** To approve the Territory of Franchisee;

**16.1.2** To reasonably assist Franchisee with any operational or financial problem encountered by Franchisee, after notice to Franchisor at our then current address, by certified mail (return receipt requested) or at any subsequent addresses established by Franchisor, of Franchisee's problem and the type of assistance needed. At no time shall reasonable assistance be interpreted to require Franchisor to pay any money to Franchisee. Franchisor, in its sole discretion, may provide any assistance at Franchisor's designated office or where Franchisee is located, at a time to be determined by Franchisor. Franchisee is liable to reimburse Franchisor for any costs and expenses incurred by Franchisor in providing such assistance including, but not limited to, any travel, lodging, and meal employees or any wage expenses incurred by Franchisor for those employees it may use to provide assistance to Franchisee.

**16.1.3** To reasonably administer the advertising program in accordance with Article 6;

**16.1.4** To supply to Franchisee, as applicable, designs for signage to be used in Franchisee's Wing It On! including, but not limited to, vehicle signage outdoor signage & in-store promotional signage. The cost of such signage shall be the sole responsibility of Franchisee.

**16.1.5** To loan Franchisee a copy of its Operations Manual, which Manual contains mandatory specifications, standards, and procedures. This Manual is confidential and remains Franchisor's property;

**16.1.6** To perform inspections of Franchisee's Wing It On! in accordance with Article 5; and

**16.1.7** To inspect the facilities, plants, and other places of business of any approved supplier for Franchisee in accordance with Article 5; and

**16.1.8** To provide training to Franchisee in accordance with Article 3.

**16.2** Franchisor shall not and cannot be held in breach of this Agreement until (i) Franchisor has received notice of any alleged breach from Franchisee, by registered mail, sent to the Franchisor at its then current address; and (ii) Franchisor has failed to remedy the breach within a reasonable period of time after such notice, which period shall not be less than 60 days. This is a material term of this Agreement and may not be modified or changed by any arbitrator in an arbitration proceeding or otherwise.

## ARTICLE 17. POINT OF SALE SYSTEM, COLLECTION OF DATA

**17.1** This Agreement and the Manual require the submission of a monthly statistical control form as well as other financial, operational and statistical information required by Franchisee and Franchisor to (i) assist Franchisee in the operation of its Wing It On! in accordance with the System; (ii) allow Franchisor to monitor Franchisee's Gross Revenues, purchases, costs, and expenses; (iii) enable Franchisor to develop franchise wide statistics which may improve bulk purchasing; (iv) assist Franchisor in the development of new Authorized Services or Products or the removal of existing unsuccessful Authorized Services or Products; (v) enable Franchisor to refine existing Authorized Services or Products; (vi) generally improve franchise wide understanding of the System; and (vii) obtain new types of information unknown at this time. To achieve these results, cash collection and data processing systems are necessary.

**17.2** Franchisee agrees to purchase and to use, when required by Franchisor, either now or at some later time, a data processing system including, but not limited to, computer equipment and hardware (the "Data Processing System") and the specified software authorized by Franchisor, as specified in the Manual or otherwise by Franchisor in writing. The Data Processing System must have Internet based accounting and business control capacities. Franchisee must also apply for and maintain the debit card, credit card and other non-cash payment systems (a "Point of Sale System") to enable customers to purchase Authorized Services or Products through these procedures. Franchisee must utilize the software for the Point of Sale System that is approved and authorized by Franchisor in the Manual or otherwise. Franchisor shall inform Franchisee of any changes to the requirements for the Data Processing System and/or the Point of Sale System at least 30 days prior to Franchisee's initial installation of the Data Processing System and/or Point of Sale System. Franchisee shall implement any changes prior to the commencement of operations for its Wing It On!. Franchisor may periodically revise the Data Processing System and/or Point of Sale System specifications. Franchisor may periodically require Franchisee to upgrade or update its Data Processing System and/or Point of Sale System. Franchisor will provide Franchisee with at least 30 days written notice that will describe the required updates or upgrades to the Data Processing System and/or Point of Sale System. Franchisee shall be required to implant any required updates or upgrades within 60 days after notice has been provided by Franchisor. Franchisor may require annual updates or upgrades to the respective software used for its Data Processing System and Point of Sale System. The cost for such updates or upgrades shall not exceed 2% of Franchisee's gross annual income for the preceding year.

**17.3** Franchisee agrees to (i) connect the Data Processing System electronically to Franchisor; (ii) not disconnect its Point of Sale System at any time, for any reason, without prior written approval from Franchisor; and (iii) maintain the Data Processing System and Point of Sale System in good working order. Depending on the type of Data Processing System or Point of Sale System, Franchisee may be required to pay a third party supplier a weekly or monthly fee for 24-hour telephone support and annual maintenance for any upgrades and enhancements to the Data Processing System and/or Point of Sale System software, and/or to pay to Franchisor a weekly data polling fee in an amount specified by Franchisor in the Manuals or otherwise in writing, subject to reasonable annual increases on written notice to Franchisee.

**17.4** Franchisee authorizes Franchisor to either upload or download information including, but not limited to, those types of information identified in Article 17.1, in and from or to its computers, Data Processing System, Point of Sale System or other such devices as allowed by law, as it relates to the operation of the System. Franchisor shall be not entitled to upload or download information via the Internet or other networks or other means as they become available. There is no contractual limitation on Franchisor's right to receive information through the Data Processing System or Point of Sale System. Under no circumstances may Franchisee fail to maintain a valid e-mail address, known to Franchisor, during the term of this Agreement.

**17.5** Franchisee must also purchase a personal computer system for its Wing It On! that is compatible with Franchisor's computer equipment, so Franchisee will be able to receive an email, send orders to vendors, create employee schedules, use Internet services and receive other electronic information that Franchisor sends.

## ARTICLE 18. RELATIONSHIP OF PARTIES, DISCLOSURE

**18.1** Franchisor and Franchisee are not and shall not be considered joint venturers, partners, or agents of each other, or anything other than Franchisor and Franchisee, and neither shall have the power to bind or obligate the other except as is specifically set forth in this Agreement. Franchisor and Franchisee agree that the relationship created by this Agreement is not a fiduciary relationship. Franchisee shall not, under any circumstances, act or hold itself out as an agent or representative of Franchisor. Franchisee agrees to indemnify and hold Franchisor harmless, to the fullest extent permitted by law, from any claims, demands, liabilities, actions suits, or proceedings asserted by third parties arising out of the operation of Franchisee's Wing It On! or Franchisee's breach of any of the terms of this Agreement. Franchisor agrees to indemnify and hold Franchisee harmless, to the fullest extent permitted by law, from any claims, demands, liabilities, actions, suits, or proceedings asserted by third parties and arising out of Franchisor's operations, unless caused by Franchisee.

**18.2** Franchisee acknowledges that Franchisor has entered, or may enter, into certain area representative agreements with area representatives and/or area developers in certain areas and territories. Pursuant to these agreements, the area representatives and/or area developers of Franchisor are or will be obligated to provide certain sales, operational and support services for Franchisor. Franchisee acknowledges that the relationship between Franchisor and all of its area representatives and/or area developers is strictly contractual and that no area representative and/or area developer is or will be an agent of Franchisor. Accordingly, Franchisee acknowledges and agrees that any past sub-franchisor, or current or future area representative and/or area developer is not the actual, express or implied agent of Franchisor, and has no power or authority to (i) act on Franchisor's behalf; (ii) enter into or execute any agreement on Franchisor's behalf; (iii) make any representation or promise on Franchisor's behalf; or (iv) bind Franchisor in any way. Unless otherwise specifically agreed to in writing, Franchisor expressly disavows any acts by others, including area representatives and/or area developers, that purport to bind Franchisor in any way. Franchisee agrees to waive any claim or defense in any litigation or arbitration proceeding that an area representative and/or area developer is the express or implied agent of Franchisor. Franchisee agrees that any attempt to raise, assert or justify such claim or defense in any proceeding constitutes a material default of this Agreement.

**18.3** Franchisor, in its sole discretion, may undertake the operation of Franchisee's Wing It On! whenever Franchisor deems necessary in order to prevent any interruption of business that may cause harm to Franchisee's Wing It On! and the System. Franchisor may operate Franchisee's Wing It On! should it determine: (1) Franchisee is incapable of operating its Wing It On!; (2) Franchisee is absent or incapacitated; (3) Franchisee has failed to pay when due any taxes or assessments associated with its Wing It On! or the Site of the Restaurant Franchise, Commissary, or Mobile Truck from which it operates; (4) any liens or other encumbrances are filed against Franchisee's Wing It On! or the Site of the Restaurant Franchise, Commissary, or Mobile Truck from which it operates; or (5) Franchisee is experiencing operational problems that require correction by Franchisor. Franchisor shall operate Franchisee's Wing It On! for as long as Franchisor deems necessary to correct any issues with Franchisee's Wing It On!. Franchisee shall be responsible for reimbursing Franchisor for all costs and expenses incurred by Franchisor during the time that Franchisor operates Franchisee's Wing It On! including, but not limited to, travel, lodging, and meal expenses and wage expenses paid by Franchisor to its employees who may assist in the operation of Franchisee's Wing It On!. All revenues derived from Franchisor's operation of Franchisee's Wing It On! shall be for Franchisee's account. Franchisor, however, may deduct its costs and expenses from these revenues. Franchisor will maintain a separate accounting for the revenues generated during its operation of Franchisee's Wing It On! and for its costs and expenses. Franchisor's operation of Franchisee's Wing It On! shall not make Franchisor a partner, joint venturer, agent, or employee of Franchisee and the relationship between Franchisor and Franchisee shall remain that of Franchisor and Franchisee.

## ARTICLE 19. DISPUTE RESOLUTION: ARBITRATION, AND LEGAL PROCEEDINGS

**19.1** Franchisor and Franchisee acknowledge that disputes or disagreements may arise during the term of this Agreement and any renewals thereto. Franchisor and Franchisee have elected to resolve such disputes or disagreements in a non-judicial alternative dispute resolution format ("ADR"). An ADR format minimizes the expense of dispute resolution and generally can be accomplished in a more expeditious and effective manner. By agreeing to an ADR format, both Franchisee and Franchisor are also waiving a number of rights, remedies, and privileges which may arise in a judicial resolution format. In view, however, of the continuing relationship between Franchisee and Franchisor over the original and renewal terms (if applicable) of this Agreement, both Franchisee and Franchisor agree that an ADR format is the most economical, efficient and practical way to resolve disputes and disagreements.

**19.2** Accordingly, except as otherwise provided in this Agreement, in the event of any dispute or disagreement between Franchisor and Franchisee with respect to any issue arising out of or relating to this Agreement, its breach, its interpretation or any other disagreement between Franchisee and Franchisor, such dispute or disagreement shall be resolved by arbitration. In the event of any dispute or disagreement, Franchisee and Franchisor both agree to submit the dispute to arbitration in accordance with the least expensive procedure of the American Arbitration Association ("AAA"), and the application for such arbitration shall be filed in the AAA's East Providence, Rhode Island office. Franchisor and Franchisee agree that the hearing(s) shall be held in the Raleigh, North Carolina Area before one Arbitrator. This article shall not apply to any monetary defaults of Franchisee, including its obligations to pay Royalty Fees and the Marketing Fund Contribution to Franchisor, and Franchisor shall be free to utilize any right or remedy it may have at law or equity.

**19.3** Franchisor and Franchisee agree that this Agreement evidences a transaction involving interstate commerce and that the enforcement of this arbitration provision and the confirmation of any award issued to either party by reason of an arbitration, conducted pursuant to this arbitration provision, is governed by the Federal Arbitration Act, 9 U.S.C. § 1 et seq.

**19.4** It is agreed that any claim of the parties concerning Franchisee's Wing It On!, the business to which Franchisee's Wing It On! relates, this Agreement, or any related agreement will be barred unless an arbitration or an action for a claim that cannot be the subject of arbitration, is commenced within 1 year from the date on which Franchisee or Franchisor knew or should have known, in the exercise of reasonable diligence, of the facts giving rise to the claim.

**19.5** Franchisor and Franchisee agree that unless otherwise agreed to by the parties, pre-hearing discovery shall be limited to requests for the exchange of documents relevant to the dispute, and 2 depositions per side, including expert and opinion witnesses. No deposition may exceed 8 hours without the agreement of the parties or order of the arbitrator.

**19.6** Parties shall have the right to file pre-hearing motions to dispose of some or all of the claims or to obtain rulings on the admissibility of evidence prior to an evidentiary hearing. Such motions shall be filed sufficiently in advance of the hearing date to permit the arbitrator to rule on the motion prior to the hearing date.

**19.7** It is agreed that as to any arbitrated matter between them, Franchisor and Franchisee shall equally share arbitration costs that are part of the arbitrator's award. Otherwise, each party shall bear its own attorneys' fees, expert witness fees, and other court or arbitration costs incurred in connection with any arbitration or other legal action between Franchisor and Franchisee. Punitive or exemplary damages or attorneys' fees may not be awarded by the arbitrator, and any such award shall not be enforceable or enforced in any court. If the waiver of punitive or exemplary damages is in violation of the laws of the state where Franchisee's Wing It On! is located, such claims may be awarded by the arbitrator(s), and any such award shall be enforceable or enforced in any court of appropriate jurisdiction. This Agreement shall be strictly construed in the arbitration hearing. In no event can the material provisions of this Agreement including, but not limited to, the method of operation of Franchisee's Wing It On!, Authorized Service or Product line or monetary obligations specified in this Agreement, amendments to this Agreement or in the Manuals be modified or changed by the arbitrator at the arbitration hearing.

**19.8** Except for a proceeding for injunctive relief (including temporary restraining orders, preliminary injunctions, permanent injunctions, or similar relief), which must be brought in an appropriate local forum, any legal proceeding authorized by this Agreement shall be commenced only in the United States District Court for the District of North Carolina located in Raleigh, North Carolina and both Franchisor and Franchisee consent to the jurisdiction of the United States District Court for the District of North Carolina located in Raleigh, North Carolina and the application of the laws of the State of North Carolina. In the event that the parties do not meet the jurisdictional requirements for the United States District Court for the District of North Carolina, the parties consent to the jurisdiction of a state court, in the State of North Carolina, County of Wake, and the application of the laws of the State of North Carolina. Franchisee agrees that mailing to its last known address by certified mail of any process shall constitute lawful and valid process. In all cases, Franchisee and Franchisor each waives any right to a trial by jury. Notwithstanding the foregoing, if the laws of the state where Franchisee's Wing It On! is located requires jurisdiction of the courts of that state or control by the laws of that state, then this Agreement shall be deemed modified to comply with the applicable laws thereto.

**19.9** The terms of this article shall survive termination, expiration or cancellation of this Agreement.

## ARTICLE 20. EXECUTION, REQUESTS, CONSENTS, AND WAIVERS

**20.1** This Agreement may be executed in any number of counterparts, each of which, when so executed and delivered, shall be deemed an original, but such counterparts together shall constitute but one of the same instruments.

**20.2** This Agreement contains the entire agreement of the parties and cannot be modified, changed or amended except in writing signed by Franchisor and Franchisee or their duly authorized agents.

**20.3** There is no other agreement, representation or warranty made by Franchisor or any other entity or person associated with Franchisor other than contained in this Agreement. This Agreement is not subject to or conditioned upon the obtaining of a Territory for Franchisee's Wing It On!. Franchisor's approval of this Agreement does not mean that Franchisee will be successful, and Franchisor makes no representations or warranties of success.

**20.4** Franchisor has the right, in its sole and absolute discretion, to approve Franchisee and each franchise transaction based on many factors that include, without limitation, Franchisee's experience, qualifications, capital financing, and any relevant operating history. Franchisor reserves the right and may require Franchisee to attend an interview to confirm facts and information related to the transaction embodied in this Agreement. Franchisor may refuse to approve the transaction embodied in this Agreement unless and until the interview has been conducted. The interview may be conducted in person or by telephone, at Franchisor's option. The interview will generally be conducted within 30 days after Franchisee signs this Agreement. The interview may be tape-recorded or video-recorded, and Franchisee will receive a copy upon request.

**20.5** Each article, paragraph, subparagraph, term, and condition of this Agreement shall be considered severable. If for any reason, any portion of this Agreement is determined to be invalid or in conflict with any law or rule in a final ruling issued by any court, agency, or tribunal with valid jurisdiction in a proceeding to which Franchisor is a party, that ruling shall not affect the validity or enforceability of any other portion of this Agreement.

**20.6** All notices to Franchisor required by the terms of this Agreement, unless otherwise provided, shall be sent by certified or registered mail or by overnight delivery service, addressed to Franchisor at the address set forth in this Agreement, or at such other address as Franchisor may designate. All notices to Franchisee required by the terms of this Agreement, unless otherwise provided, shall be sent by certified or registered mail or by overnight delivery service, addressed to Franchisee at its Wing It On!, or such other additional address as Franchisee designates in writing. If Franchisee refuses the acceptance of any certified, registered or overnight delivery, acceptance shall be deemed to have occurred 48 hours after rejection or refusal of such notice.

**20.7** Franchisee acknowledges that the evolution of the System requires the development of additional franchises, acceptance of Franchisor's Marks, and Authorized Services and Products.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first above written.

**FRANCHISOR: WIO Franchising LLC,**
a Nevada limited liability company

________________________ By:_____________________________________
Date Matt Ensero, President

**FRANCHISEE: ______________________**

_________________________ By:____________________________________
Date Name: __________________________________
Title: ___________________________________

# PERSONAL GUARANTY

IN CONSIDERATION for, and as an inducement for WIO Franchising LLC (Franchisor) to enter into a Wing It On! franchise agreement and any powers of attorney and other instruments dated concurrently herewith (collectively the Franchise Documents) between Franchisor and the business entity identified below (Franchisee), the undersigned (Guarantors) hereby jointly and severally guarantee to Franchisor, and to Franchisor's successors and assigns: (a) the timely payment of all Royalty Fees, late fees, interest charges, and all other fees and charges provided for under the Franchise Agreement; and (b) the timely performance of all of the provisions of the Franchise Documents for and during the term thereof (including all renewals thereof, if any). Guarantors further specifically agree to be individually bound by all covenants, obligations, and commitments of Franchisee contained in each of the Franchise Documents to the same extent as if each of the Guarantors had individually executed the same as Franchisee.

Guarantors understand and agree that any modification of the Franchise Documents, including any addendum thereto, or waiver by Franchisor of the performance by Franchisee of its obligations thereunder, or the giving by Franchisor of any extension of time for the performance of any of the obligations of Franchisee thereunder, or any other forbearance on the part of Franchisor or any failure by Franchisor to enforce any of its rights under the Franchise Documents, including any addendum thereto, shall not in any way release Guarantors from liability hereunder or terminate, affect or diminish the validity of this Guaranty, except to the same extent, but only to such extent, that the liability or obligation of Franchisee is so released, terminated, affected or diminished. Notice to Guarantors of any such modification, waiver, extension or forbearance under the terms thereof is hereby waived.

Guarantors hereby waive any and all notice of default on the part of Franchisee; waive exhausting of recourse against Franchisee; and consent to any assignment of the Franchise Documents, in whole or in part, that Franchisor or its assignees may make. Guarantors agree to pay all costs, including reasonable attorneys' fees, incurred by Franchisor to collect or otherwise enforce the terms of this Guaranty. This Guaranty has been delivered in the State of Connecticut and shall be construed and enforced in accordance with the laws thereof. Jurisdiction and venue in any action to enforce this Guaranty shall be in any state or federal court within the State of Connecticut in the judicial district where Franchisor has its principal place of business. Guarantors consent to the exercise of personal jurisdiction by any such court and waive any defense of lack of personal jurisdiction or improper venue.

**GUARANTOR** : ________________________________________

________________________________, Individually

**GUARANTOR** : ________________________________________

________________________________, Individually

**FRANCHISEE**:

________________________________________

By: ____________________________________

Its: ____________________________________

Date: __________________________________

EXHIBIT 1 TO THE FRANCHISE AGREEMENT

CO-BRANDING ADDENDUM

The following additional provisions are agreed to by the parties with respect to the attached Franchise Agreement dated__________, 20__, between WIO Franchising LLC as "we," and___________, as "you," (the "Franchise Agreement") of which this Addendum is a part. In the event of a conflict, the provisions of this Addendum supersede the provisions of the Franchise Agreement.

In consideration of the mutual covenants expressed in this Addendum, you and we agree as follows:

1. Franchise Agreement. All of the terms defined in the Franchise Agreement shall have the same meaning when used in this Addendum. Except as modified by this Addendum, all provisions in the Franchise Agreement shall apply to the operation of the co-branded Franchise and business operations.

2. Grant of rights. You currently operate a business associated with the following primary trademarks: (the "Existing Business"). We grant to you the right to operate a co-branded Wing It On! Franchise to be operated in, adjacent to, or in conjunction with the Existing Business. A separate franchise agreement and co-branding addendum must be signed for each co-branded Franchise.

3. Modification of Franchise Agreement and standards. Certain of the procedures set forth in the Franchise Agreement relating to equipment, layout, processes, advertising, and signage may not be directly applicable because you may share and utilize space and resources with your Existing Business. Nevertheless, you will attempt to comply with all provisions of the Franchise Agreement that are reasonably applicable to your co-branded Franchise, all co-branding requirements expressed in the Operations Manual, and all other relevant procedures, including submitting to us for our prior approval all proposed lease or sublease agreements. Our training and assistance specified in the Franchise Agreement may be of shorter duration at our sole discretion, taking into account your experience in operating the Existing Business.

4. Termination. This Addendum may be terminated by us separately from the Franchise Agreement, on any of the bases for termination provided in the Franchise Agreement. Further, if you cease to operate the Existing Business, we may terminate this Addendum. In addition, if we decide, in our sole discretion to discontinue the co-branding program, we may give you 6 months' prior written notice of the termination of this Addendum. Upon termination or expiration, you will abide by all post-termination covenants in the Franchise Agreement, including your obligation to discontinue the Existing Business or to separate your Franchise operations from the operations of the Existing Business.

The parties have executed this Addendum on __________________, 20_____.

| **("Franchisor"): WIO Franchising Inc.** | **(jointly and severally "Franchisee"):** |
|---|---|
| By:________________________ | By:________________________________________ |
| Title:_______________________ | an individual |
| | By: ________________________________________ |
| | Title: ______________________________________ |

**EXHIBIT 2 TO THE FRANCHISE AGREEMENT**
**WING IT ON! AREA DEVELOPMENT ADDENDUM for MULTIPLE FRANCHISE PURCHASES**

The following additional provisions are agreed to by the parties with respect to the attached Franchise Agreement dated_________, 20__, between WIO Franchising LLC as "we," and ____________________, as "you," of which this Addendum is apart (the "Franchise Agreement.") In the event of conflict, the provisions of this Addendum supersede the corresponding provisions of the Franchise Agreement.

We expressly disclaim the making of and you acknowledge that you have not received or relied upon, any warranty or guaranty, express or implied, as to the revenues, profits or success of the business venture contemplated by this Area Development Addendum and our standard franchise disclosure document and franchise agreement, except as specifically disclosed in our franchise disclosure document. You acknowledge that you have read the Franchise Agreement and this Addendum and our franchise disclosure document. You have no knowledge of any representations by us or our officers, directors, shareholders, employees or agents that are contrary to the statements made in our franchise disclosure document and the Franchise Agreement.

1. INITIAL FRANCHISE FEE. The Initial Franchise Fee established in the Franchise Agreement is $30,000 for a Restaurant Franchise and $15,000 for a Food Truck Franchise and $22,500 for the second Restaurant franchise and $14,500 for each subsequent Restaurant franchise and $15,000 for each additional Food Truck franchise.

- Restaurant; or
- Mobile Food Truck with Commissary (for storage and food preparation)

franchise. For the first Franchise Agreement, the entire Initial Franchise Fee is paid to us upon execution of this Addendum. For the remaining Franchise Agreements, the Initial Franchise Fee is paid upon execution of this Addendum.

2. DESIGNATED TERRITORY. We grant to you, subject to the terms and conditions of the Franchise Agreement and this Addendum, the right to establish and operate your franchises within the following territory (the "Designated Territory):

______________________________________________________________.

Except as otherwise provided in the Franchise Agreement or this Addendum, we will not establish nor license anyone other than you to establish any Wing It On! facility in the Designated Territory from the date of this Addendum until expiration or termination of the development schedule set forth below. You have no right under this Addendum to sub-license others.

3. DEVELOPMENT SCHEDULE. Section 4.1 of the Franchise Agreement is modified to add the following as follows:

If this Agreement represents your first Wing It On! franchise and if no acceptable site is found and approved by the parties within 9 months from the date of this Agreement, then, upon written notice by either party to the other, this Agreement may be terminated, and payments you have made to us will be retained by us.

If this Agreement represents an additional Agreement for a Wing It On! franchise, then the time to open the Franchise will be (the "Opening Date"):

| | |
|---|---|
| 1st Franchise | 12 months |
| 2nd Franchise | 18 months |
| 3rd Franchise | 24 months |
| 4th Franchise | 30 months |
| 5th Franchise | 36 months |

from the date of this Agreement. The Franchise purchased pursuant to this Agreement is the First Franchise and must open no later than the Opening Date, as defined above. If no acceptable site is found and approved by the parties for the additional Franchise and the Franchise opened for business by the Opening Date, this Agreement will terminate without notice by either party to the other on the expiration date, and no portion of any payment you paid to us will be refundable or returned to you. Upon termination pursuant to this Section, we will be fully and forever released from any claims or causes of action you may have under or pursuant to this Agreement and any right, title or interest in this Agreement, the Service Marks or the Method of Operation will automatically revert to us."

4. DEFAULT AND TERMINATION. The parties have executed a number of franchise agreements contemporaneously with the Franchise Agreement as part of a multiple franchise purchase. Any material violation or breach of any such agreement, or of any other franchise agreement between the parties or of any other agreement between the parties related to the Wing It On! franchise system will be deemed a material violation of the Franchise Agreement and this Addendum, of all such other franchise agreements, and of all such other agreements. The non-breaching party then will be entitled to enforce the penalties of or to terminate the Franchise Agreement and this Addendum and any or all of such other franchise agreements and such other agreements as provided in the Franchise Agreement for enforcement or termination.

If the franchise represented by this Addendum is not opened by the Opening Date set forth above, we will have the right to terminate the Franchise Agreement and this Addendum. We then may establish or license others to establish Wing It On! facilities in the Designated Territory.

Upon termination of this Addendum, all remaining franchise agreements for franchises that have not yet been opened for business pursuant to the Development Schedule above, if any, may thereafter be opened at any available location where we have the right to offer and place franchises in accordance with state and federal franchise and business opportunity disclosure and registration laws and pursuant to our contractual commitments (including those with our other franchisees) and in compliance with our franchise placement, market development, and demographic criteria. We may establish or license others to establish, Wing It On! locations in the Designated Territory subject only to the franchise territories established in each of your franchise agreements for your opened and operating franchises.

No right or remedy herein conferred upon or reserved to us is exclusive of any other right or remedy provided or permitted by law or equity.

5. TRAINING. We will have no obligation to provide franchise training to you at our expense except pursuant to your first franchise agreement.

DATED this _______ day of_____________, 20______.

| | |
|---|---|
| **("Franchisor"): WIO Franchising Inc.** | **(jointly and severally "Franchisee"):** |
| By:________________________ | By:_______________________________________ |
| Title:_______________________ | an individual |
| | By: _______________________________________ |
| | Title: _____________________________________ |

**EXHIBIT 3 TO THE FRANCHISE AGREEMENT**
**WING IT ON! SAMPLE GENERAL RELEASE**

In consideration of the agreement of WIO Franchising, Inc. (“Franchisor”) to allow (“Franchisee”) to [RENEW OR TRANSFER] its Franchise Agreement dated _____________ between Franchisee and Franchisor (“Agreement”), Franchisee hereby releases and forever discharges Franchisor, and its affiliates, as well as their members, directors, officers, employees and agents, in their corporate and individual capacities, and their respective heirs, personal representatives, successors and assigns, from any and all claims Franchisee may have against such parties known and unknown, foreseen and unforeseen, from the beginning of time to the date hereof, whether in law or in equity, including, but not limited to, any claims arising out of the offer or sale of any franchise to Franchisee, and any matters arising under the Agreement or under any other agreement between Franchisee and Franchisor or its affiliates. [FOR TRANSFERS: Further, Franchisee acknowledges that transfer of the Agreement shall terminate Franchisee’s interest in the Agreement, but Franchisee will continue to be bound by all post-termination provisions of the Agreement, including but not limited to the obligations of confidentiality, and the covenant not to compete contained in the Agreement.]

[IN CALIFORNIA: The foregoing release is intended as a general release of all claims, demands, actions, causes of action, obligations, damages and liabilities of any kind or nature whatsoever that relate to the matters recited therein, and is intended to encompass all known and unknown, foreseen and unforeseen claims which the releasing party may have against any party being released. Section 1542 of the California Civil Code provides:

A General Release does not extend to claims which the creditor does not know or suspect to exist in his favor at the time of executing the Release, which if known by him might have materially affected his settlement with the debtor.

You expressly waive the provisions of Section 1542 of the California Civil Code and expressly release each party to be released from all liability or claims arising out of any matters recited in the release.]

| **(“Franchisor”): WIO Franchising Inc.** | **(jointly and severally “Franchisee”):** |
|---|---|
| By:_______________________ | By:_____________________________________ |
| Title:______________________ | an individual |
| | By: ____________________________________ |
| | Title: __________________________________ |

# EXHIBIT B. RESTRICTIVE COVENANT AGREEMENT

## RESTRICTIVE COVENANT AGREEMENT

THIS AGREEMENT, by and between, ___________________________________________ (**Franchisee**), a [corporation] [partnership] [limited liability company] organized under the laws of the State of ____________________, and ____________________________________ (**Covenantor**), an individual resident of the State of __________________,

## WITNESSETH:

WHEREAS, pursuant to that certain Franchise Agreement dated ________________ (the **Franchise Agreement**), Wing It On! (**Franchisor**) granted Franchisee a franchise to operate a Wing It On! Franchised Business (the **Franchise**), using Franchisor's unique franchise system and Franchisor's trade name and service mark Wing It On! and other proprietary marks; and

WHEREAS, Covenantor is the owner (or spouse of the owner) of the Franchisee.

WHEREAS, Franchisor has expended substantial amounts of time and money in developing the Marks (as hereinafter defined) and Franchisor's distinctive franchise system, including, without limitation, unique sales and marketing methods, pricing techniques, promotional materials, new product development, financial information, and procedures for the efficient operation of a Wing It On! Franchised Business, all of which Covenantor acknowledges to be confidential and proprietary information; and

WHEREAS, in connection with the operation of the Franchise, Covenantor will have access to such confidential and proprietary information; and

WHEREAS, as a condition precedent to granting the Franchise to Franchisee, all shareholders, officers, partners, or members of Franchisee must execute the covenants contained herein;

NOW, THEREFORE, as additional consideration and inducement for granting the Franchise to Franchisee, Covenantor hereby agrees and covenants to Franchisee as follows:

**1. Confidentiality.** Covenantor acknowledges the proprietary and confidential nature of Franchisor's Operating Manual, which Franchisee has received on loan from Franchisor, unique sales and marketing methods, pricing techniques, promotional materials, new product development, financial information, client or referral lists, procedures for the efficient operation of a Wing It On! Franchised Business, and any other methods, procedures, processes, techniques, information, knowledge, or know-how concerning Franchisor's franchise system or Franchisee's Franchise, in particular, that may not be commonly known to the public or to Franchisor's or Franchisee's competitors and that Franchisor or Franchisee have identified or may identify as proprietary and confidential information (**Trade Secrets**). Covenantor shall use such Trade Secrets solely for Franchisee's benefit and shall not, during the term of the Franchise Agreement or at any time thereafter, communicate, divulge, or use any Trade Secrets to or for the benefit of any other person, entity or organization.

**2. Proprietary Marks**. Covenantor acknowledges Franchisor's right, title, and interest in and to the service mark Wing It On!, Wing It On! Systems, Franchisor's stylized design, and certain other proprietary service marks, logos, symbols and trade names presently used by Franchisor or that Franchisor may hereafter use or provide for use by Franchisee, and the identification, schemes, standards, specifications, operating procedures, and other concepts embodied in Franchisor's franchise system (the Marks). Covenantor further acknowledges that any use of the Marks outside the scope of the Franchise Agreement without Franchisor's prior written consent would be an infringement of Franchisor's rights in the Marks. Covenantor expressly covenants that he/she shall not, directly or indirectly, commit an act of infringement or contest, or aid in contesting, the validity or ownership of the Marks or take any other action in derogation thereof during the term of the Franchise Agreement or after the expiration or termination thereof.

**3. Non-solicitation**. Covenantor covenants that he/she shall not, during the term of the Franchise Agreement and for a continuous and uninterrupted period commencing upon the expiration or termination of the Franchise Agreement (regardless of the cause for termination) and continuing for the periods indicated below, either directly or indirectly, for him/herself or through, on behalf of, or in conjunction with, any person, entity or organization for a period of two (2) years, divert or attempt to divert any business or client of Franchisee's business, or of any other Franchisee of Franchisor, to any competitor or to Covenantor, by direct or indirect inducement or otherwise, or do or perform, directly or indirectly, any other act that may be injurious or prejudicial to the goodwill associated with the Marks and Franchisor's franchise system; or

**4. Non-competition**. Covenantor covenants that, during the term of the Franchise Agreement and for a continuous and uninterrupted period commencing upon the expiration or termination of the Franchise Agreement (regardless of the cause for termination) and continuing for two (2) years thereafter, directly or indirectly, for him/herself or through, on behalf of, or in conjunction with any person, entity or organization, own, maintain, operate, engage in, or have any interest in, any business offering quick service restaurant, mobile food truck, and carry-out delivery that sells a wide variety of chicken wings, burgers, wraps and other menu items or any other products or services that have been offered by the Franchised Business, within twenty-five (25) miles of any Wing It On! Franchised Business. This restriction shall not apply to the beneficial ownership by Covenantor of less than five percent (5%) of the outstanding equity securities of any corporation whose securities are registered under the Securities and Exchange Act of 1934.

**5. Remedies**. Covenantor acknowledges that his/her violation of any of the covenants contained in this Agreement would result in irreparable injury to Franchisor and Franchisee, for which no adequate remedy at law may be available, and accordingly consents to the issuance of, and agrees to pay all court costs and reasonable attorney fees incurred by Franchisor or Franchisee in obtaining, an injunction enjoining any conduct by Covenantor prohibited by the terms of this Agreement. This remedy shall be in addition to any and all other remedies that may be available to Franchisor or Franchisee.

**6. Severability**. The parties agree that each of the covenants contained in this Agreement shall be construed as independent of any other covenant or provision of this Agreement. If all or any portion of a covenant contained herein is held unreasonable or unenforceable by a court or agency having valid jurisdiction in an unappealed final decision, Covenantor expressly agrees to be bound by any lesser covenants subsumed within the terms of such covenant that imposes the maximum duty permitted by law, as if the resulting covenants were separately stated in and made a part of this Agreement.

**7.** **Effect**. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective legal representatives, successors, and assigns.

**8.** **Construction**. The parties agree that this Agreement shall be deemed to have been entered into in and shall be governed by and construed in accordance with the laws of the State of where the Franchise is located.

**9.** **Jurisdiction**. The parties agree that any action based upon this Agreement brought by any party hereto against any other party hereto may be brought within the State of where the Franchise is located in the judicial district in which Franchisor has its principal place of business, and hereby consent to the exercise of personal jurisdiction by any such court and waive all questions of personal jurisdiction or venue for the purpose of carrying out this provision.

**10.** **Legal Expenses**. In the event a dispute arises under this Agreement, the prevailing party shall be entitled to recover its expenses, including reasonable attorney and accountant fees, in addition to any other relief to which it may be found entitled.

**11.** **Franchisor Third-Party Beneficiary**. Covenantor and Franchisee acknowledge and intend that the covenants contained in this Agreement shall directly benefit Franchisor, who shall be a third-party beneficiary thereof, entitled to enforce the provisions thereof in Franchisor's own name without Franchisee as a party in any action filed for such purpose, and shall further be entitled to all remedies provided in Section 5 hereof.

IN WITNESS WHEREOF, the parties have executed this Agreement or caused it to be executed by their duly authorized representative, as of the dates set forth below.

**FRANCHISEE:**

Date: ______________________________ By:___________________________________

Its: ___________________________________

Date: _____________________ _______________________________________

**COVENANTOR**

# EXHIBIT C. LIST OF FRANCHISEES

# List of Wing It On! Franchisees as of December 31, 2022

| State | City | | Name | Address | Telephone |
|---|---|---|---|---|---|
| AL | Birmingham | Restaurant | Jayraj Patel | 7272 Gadsden Hwy, Trussville, AL 35173<br>jayrajjpatel@aol.com | 904-318-0666 |
| AL | Prattville | Restaurant | Quincy Minor | 692 McQueen Smith Rd. N<br>Prattville, AL 36066<br>qminor@charter.net | 334-850-3734 |
| CT | New Britain | Food Truck | Tahir Aziz | 1537 Stanley St.<br>New Britain, CT 06053<br>taziz58@gmail.com | 860-834-8036 |
| CT | New Britain | Restaurant | Tahir Aziz | 1537 Stanley St.<br>New Britain, CT 06053<br>taziz58@gmail.comtaziz58@gmail.com | 860-834-8036 |
| CT | Stratford | Restaurant | Usman Khan | 1641 Barnum Ave.<br>Stratford, CT 06614<br>Usmankh46@gmail.com | 203-543-1524 |
| FL | Orlando | Ghost Kitchen | David Miller | 18 N Dollins Ave K24<br>Orlando, FL 32805 | 642-177-3579 |
| GA | Sandy Springs | Restaurant | Jinal Gudka | 8290 Roswell Rd. Suite 200<br>Sandy Springs, GA 30350<br>jgudka@hotmail.com | 774-280-0333 |
| NJ | Linden | Restaurant | Dhaval Bhatt | 1600 E. St Georges Ave.<br>Linden, NJ 07036<br>Djbhatt1981@gmail.com<br>Djbhatt1981@gmail.com | 973-980-1731 |
| NJ | West Orange | Restaurant | Jeff Cooper | 161 Main St<br>West Orange, NJ 07052 | 201-650-3205 |
| NY | Copiague | Restaurant | Sid Kapur | 854 Montauk Hwy<br>Copiague, NY 11726 | 516-754-2004 |
| NC | Fuquay Varina | Restaurant | Evgeny Gonokhin | 1061 East Broad St.<br>Fuquay Varina, NC 27526 | 443-944-5633 |
| TX | Fort Worth | Restaurant | Kishor Neupane | 5329 Sycamore School Rd. #105<br>Fort Worth, TX 76123 | 972-261-8059 |
| **Signed But Not Open** | | | | | |
| FL | Fort Myers | Restaurant | Viktor Spanovic | TBD | 614-222-9300 |
| FL | Mt. Dora | Restaurant | Linaben Jayesh Patel | TBD | 352-537-5155 |
| FL | Winter Garden | Restaurant | Anthony Cray | TBD | 919-604-5298 |

| State | City | | Name | Address | Telephone |
|---|---|---|---|---|---|
| MA | Boston | Restaurant | Stella Aigbe-Odiase | TBD | 689-345-2222 |
| NY | Ossining | Restaurant | Alexandra/ Hugo Gomez | 126 Spring St, Ossining, NY 10562 | 914- 953-9249 |
| TN | Nashville | Restaurant | Nyerere Ellis | TBD | 404-514-7333 |
| VA | | Restaurant | Deepika Gorecha | TBD | 240-780-6373 |

# EXHIBIT D. LIST OF FRANCHISEES THAT LEFT THE SYSTEM

## Franchisees Who Left The System

Below is a list of franchisees who left the system during the most recently completed fiscal year or who have not communicated with the franchisor within 10 weeks of the disclosure document issuance date.

| State | City | Name | Address | Telephone |
|---|---|---|---|---|
| Texas | Spring | David Alleman | 7316 Louetta Rd B303<br>Spring, TX 77379 | 281-797-2882 |

If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

# EXHIBIT E. FINANCIAL STATEMENTS

# WIO FRANCHISING LLC
# FINANCIAL STATEMENT
# FEBRUARY 15, 2023

**WIO FRANCHISING LLC**
**TABLE OF CONTENTS**

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MONIS J. SIDDIQUI, CPA P.C.
Certified Public Accountant
917.309.5670

# INDEPENDENT AUDITOR'S REPORT

**To the Stockholders of**
**WIO Franchising LLC**

**Opinion**

We have audited the balance statement of WIO Franchising LLC, as of February 15, 2023 (inception), and the related notes to the financial statement.

In our opinion, the balance sheet referred to above presents fairly, in all material respects, the financial position of WIO Franchising LLC, as of February 15, 2023, in accordance with accounting principles generally accepted in the United States of America.

**Basis for Opinion**

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

**Responsibilities of Management for the Financial Statements**

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

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

**Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with 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, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users made on the basis of these financial statements.

In performing an audit in accordance with GAAS, we:

Exercise professional judgment and maintain professional skepticism throughout the audit.

Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of WIO Franchising LLC’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 WIO Franchising LLC’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.

Monis Siddiqui, CPA P.C.

Monis Siddiqui, CPA
Bellerose, NY
February 17, 2023

**WIO FRANCHISING, LLC**
**BALANCE SHEET**
**FEBRUARY 15, 2023**

**ASSETS**

| | |
|---|---|
| **Cash** | **$ 120,000** |
| **Total Assets** | **$ 120,000** |

**STOCKHOLDERS' EQUITY**

| | |
|---|---|
| **Current Liabilities** | **$ -** |
| **Stockholders' Equity** | **120,000** |
| **Stockholders' Equity** | **$ 120,000** |

See notes to financial statements

**1. THE COMPANY**

WIO Franchising, LLC is a Nevada Limited Liability Company formed in January 2023. The Company sells franchises the opportunity to own and operate a quick service restaurant or mobile food truck, that sells a wide variety of chicken wings, and other menu items.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

***Basis of Accounting*-**The accompanying financial statements have been prepared on an accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America. Under the accrual method, revenues are recognized when earned and expenses are recognized when a liability is incurred, without regard to disbursement of cash.

***Franchise Arrangements***-The Company's franchise arrangements generally include a license which provides for payments of initial fees as well as continuing royalties to the Company based upon a percentage of sales. Under this arrangement, franchisees are granted the right to operate a One Glow franchise, for a specified number of years.

***Concentration of Credit Risk*-**Financial instruments that potentially expose the Company to concentration of credit risk primarily consist of cash and cash equivalents. The balances in the Company's cash accounts did not exceed the Federal Deposit Insurance Company's (FDIC) insurance limit of $250,000. The Company maintains its cash and cash equivalents with accredited financial institutions.

***Use of Estimates*-**The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

***Taxes on Income***- The Company is an Limited Liability Company "LLC" for income tax purposes. There is no accrued tax payable as of February 17, 2023.

**3. REVENUE RECOGNITION**

The Company will record revenue in accordance Accounting Standards Board ("FASB") and Accounting Standards Update ("ASU") No. 2014-09, Revenue from Contracts with Customers (Topic 606). The transaction price attributable to performance obligations will be recognized as the performance obligations are satisfied. The portion of the franchise fee, if any, that is not attributable to a distinct performance obligation will be amortized over the life of the related franchise agreements. Commissions paid for franchises will be amortized over the life of the franchise agreement.

**4. SUBSEQUENT EVENTS**

The Company evaluates events that have occurred after the balance sheet date but before the financial statements are issued. Based upon the evaluation, the Company did not identify any recognized or non-recognized subsequent events that would have required further adjustment or disclosure in the financial statements. Subsequent events have been evaluated through February 17, 2023, the date the financial statements were available to be issued.

# EXHIBIT F. AGENCIES/AGENTS FOR SERVICE OF PROCESS

## AGENCIES/AGENTS FOR SERVICE OF PROCESS

This list includes the names, addresses and telephone numbers of state agencies having responsibility for franchising disclosure/registration laws, and serving our agents for service of process (to the extent that we are registered in their states). This list also includes the names, addresses and telephone numbers of other agencies, companies or entities serving as our agents for service of process.

| STATE | STATE ADMINISTRATOR/AGENT | ADDRESS |
|---|---|---|
| California | Commissioner of Financial Protection and Innovation<br>California Department of Financial Protection and Innovation | 320 West 4th Street, Suite 750<br>Los Angeles, CA 90013-2344<br>1-866-275-2677 |
| Hawaii<br>(State Administrator) | Commissioner of Securities<br>Dept. of Commerce and Consumer Affairs<br>Business Registration Division<br>Securities Compliance Branch | 335 Merchant Street<br>Room 203<br>Honolulu, HI 96813 |
| Illinois | Illinois Attorney General | 500 South Second Street<br>Springfield, IL 62706 |
| Indiana<br>(State Administrator) | Indiana Securities Commissioner<br>Securities Division | 302 West Washington Street, Room E111<br>Indianapolis, IN 46204 |
| Indiana<br>(Agent) | Indiana Secretary of State | 302 West Washington Street, Room E018<br>Indianapolis, IN 46204 |
| Maryland<br>(State Administrator) | Office of the Attorney General<br>Division of Securities | 200 St. Paul Place<br>Baltimore, MD 21202-2020 |
| Maryland<br>(Agent) | Maryland Securities Commissioner | 200 St. Paul Place<br>Baltimore, MD 21202-2020 |
| Michigan | Michigan Department of Attorney General<br>Consumer Protection Division | G. Mennen Williams Building, 1st Floor<br>525 West Ottawa Street<br>Lansing, MI 48933 |
| Minnesota | Commissioner of Commerce<br>Minnesota Department of Commerce | 85 7th Place East, Suite 280<br>St. Paul, MN 55101-2198 |
| New York<br>(State Administrator) | NYS Department of Law<br>Investor Protection Bureau | 28 Liberty Street, 21st Floor<br>New York, NY 10005<br>212-416-8236 |
| New York<br>(Agent) | New York Department of State | One Commerce Plaza<br>99 Washington Avenue, 6th Floor<br>Albany, NY 12231-0001<br>518-473-2492 |
| North Dakota | Securities Commissioner<br>North Dakota Securities Department | 600 East Boulevard Avenue<br>State Capitol, Fifth Floor, Dept. 414<br>Bismarck, ND 58505-0510 |
| Rhode Island | Director, Department of Business Regulation,<br>Securities Division | 1511 Pontiac Avenue<br>John O. Pastore Complex – Building 68-2<br>Cranston, RI 02920 |
| South Dakota | Department of Labor and Regulation<br>Division of Insurance – Securities Regulation | 124 S. Euclid, Suite 104<br>Pierre, SD 57501 |
| Virginia<br>(State Administrator) | State Corporation Commission<br>Division of Securities and Retail Franchising | 1300 East Main Street, 9th Floor<br>Richmond, VA 23219<br>804-371-9051 |
| Virginia<br>(Agent) | Clerk of the State Corporation Commission | 1300 East Main Street, 1st Floor<br>Richmond, VA 23219-3630 |
| Washington | Department of Financial Institutions<br>Securities Division | 150 Israel Road SW<br>Tumwater, WA 98501<br>360-902-8760 |
| Wisconsin | Commissioner of Securities | Department of Financial Institutions<br>Division of Securities<br>4822 Madison Yards Way, North Tower<br>Madison, WI 53705 |

# EXHIBIT G. OPERATIONS MANUAL – TABLE OF CONTENTS

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# EXHIBIT H. STATE ADDENDA

## ILLINOIS ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT

To the extent the Illinois Franchise Disclosure Act, Ill. Comp. Stat. §§705/1 – 705/44 applies, the terms of this Addendum apply.

Item 17, Additional Disclosures. The following statements are added to Item 17:

Illinois law governs the Franchise 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 set forth in sections 19 and 20 of the Illinois Franchise Disclosure Act.

## ILLINOIS ADDENDUM TO FRANCHISE AGREEMENT

To the extent the Illinois Franchise Disclosure Act, Ill. Comp. Stat. §§705/1 – 705/44 applies, the terms of this Addendum apply.

1. Notwithstanding anything to the contrary contained in the Franchise Agreement, to the extent that the Franchise Agreement contains provisions that are inconsistent with the following, such provisions are hereby amended:

> Illinois law governs the Franchise 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 set forth in section 19 and 20 of the Illinois Franchise Disclosure Act.

2. Any capitalized terms that are not defined in this Addendum shall have the meaning given them in the Franchise Agreement.

3. Except as expressly modified by this Addendum, the Franchise Agreement remains unmodified and in full force and effect.

This Addendum is being entered into in connection with the Franchise Agreement. In the event of any conflict between this Addendum and the Franchise Agreement, the terms and conditions of this Addendum shall apply.

IN WITNESS WHEREOF, the undersigned have executed this Addendum as of the date Franchisor signs below.

| FRANCHISOR: | FRANCHISEE: |
|---|---|
| ______________________________ | ______________________________ |
| By: ____________________________ | By: ____________________________ |
| Its: | Its: |
| Date: ___________________________ | Date: ___________________________ |

## MARYLAND ADDENDUM TO DISCLOSURE DOCUMENT

In the State of Maryland only, this Disclosure Document is amended as follows:

The following is added to Item 11:

You may obtain an accounting of advertising expenditures by the Marketing Fund by making a written request to us.

The following is added to Item 17:

Pursuant to COMAR 02-02-08-16L, the general release required as a condition of renewal, sale, and/or assignment/transfer shall not apply to any liability 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.

The Franchise Agreement provides for termination upon bankruptcy of the franchisee. This provision may not be enforceable under federal bankruptcy law.

The Franchise Agreement and/or Multi-Unit Development Agreement provides that disputes are resolved through arbitration. 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 Law. In light of the Federal Arbitration Act, there is some dispute as to whether this forum selection requirement is legally enforceable.

**MARYLAND RIDER TO FRANCHISE AGREEMENT**
**AND MULTI-UNIT DEVELOPMENT AGREEMENT**

This Rider amends the Franchise Agreement and/ or Multi-Unit Development Agreement dated ____________, 20__ (the "Agreement"), between WIO Franchising, Inc., a North Carolina corporation ("Franchisor") and ______________________, a ______________ ("Franchisee").

1. Capitalized terms used but not defined in this Rider have the meanings given in the Agreement. The "Maryland Franchise Law" means the Maryland Franchise Registration and Disclosure Law, Business Regulation Article, §14-206, Annotated Code of Maryland.

2. 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.

3. Pursuant to COMAR 02-02-08-16L, the general release required as a condition of renewal, sale, and/or assignment/transfer shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

4. Any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within 3 years after the grant of the franchise.

5. This Franchise Agreement and/or Multi-Unit Development Agreement provides that disputes are resolved through arbitration. 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 Law. In light of the Federal Arbitration Act, there is some dispute as to whether this forum selection requirement is legally enforceable.

6. A franchisee may bring a lawsuit in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law.

The parties have executed this Addendum on __________________, 20_____.

| **("Franchisor"): WIO Franchising Inc.** | **(jointly and severally "Franchisee"):** |
|---|---|
| By:________________________ | By:_______________________________________ |
| Title:_______________________ | an individual |
| | By: _______________________________________ |
| | Title: _____________________________________ |

## NEW YORK ADDENDUM TO DISCLOSURE DOCUMENT

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

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

2. The following is added at the end of Item 3:

Except as provided above, with regard to the franchisor, its predecessor, a person identified in Item 2, or an affiliate offering franchises under the franchisor's 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, antifraud, or securities law;
fraud; embezzlement; fraudulent conversion or 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 the "Summary" sections of Item 17(c), titled "**Requirements for franchisee to renew or extend**," and Item 17(m), entitled "**Conditions for franchisor approval of transfer"**:

> 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.

4. The following language replaces the "Summary" section of Item 17(d), titled **"Termination by franchisee"**:

You may terminate the agreement on any grounds available by law.

5. The following is added to the end of the "Summary" sections of Item 17(v), titled "**Choice of forum"**, and Item 17(w), titled "**Choice of law"**:

> The foregoing choice of law should not be considered a waiver of any right conferred upon the franchisor or upon the franchisee by Article 33 of the General Business Law of the State of New York.

## VIRGINIA ADDENDUM TO DISCLOSURE DOCUMENT

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

**Estimated Initial Investment**.

> The franchisee will be required to make an estimated initial investment ranging from $210,500 to $440,000. This amount exceeds the franchisor's stockholders' equity as of February 15, 2023, which is $120,000.

The following statements are added to Item 17(h):

> Under 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 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.

## 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 | Not Filed |
| Hawaii | Not Filed |
| Illinois | See Separate FDD |
| Indiana | February 27, 2023, as Amended ______, 2023 |
| Maryland | See Separate FDD |
| Michigan | February 24, 2023, as Amended July 21, 2023 |
| Minnesota | Not Filed |
| New York | March 17, 2023, as Amended ______, 2023 |
| North Dakota | Not Filed |
| Rhode Island | Not Filed |
| South Dakota | Not Filed |
| Virginia | March 2, 2023, as Amended ______, 2023 |
| Washington | Not Filed |
| Wisconsin | May 9, 2023, as Amended ______, 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 I. RECEIPTS

## RECEIPT

This Disclosure Document summarizes certain provisions of the franchise agreement and other information in plain language. Read this Disclosure Document and all agreements carefully.

If WIO Franchising LLC offers you a franchise, WIO Franchising LLC must provide this Disclosure Document to you 14 calendar days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale unless otherwise stated in your state's addendum.

New York law requires a franchisor to provide the franchise disclosure document at the earlier of the first personal meeting or 10 business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship.

If WIO 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 or state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C., 20580 and the State Administrator listed in Exhibit D.

The following are the names, principal business addresses and telephone numbers of each franchise sellers offering the franchise:

| | |
|---|---|
| Rich Guckel, | ______________________________ |
| 755 Schneider Drive | ______________________________ |
| South Elgin, IL 60177 | ______________________________ |
| (847) 608-8500 | ______________________________ |

Issuance Date: February 17, 2023, as amended July 21, 2023

I have received a Franchise Disclosure Document dated February 17, 2023, as amended July 21, 2023, including the following exhibits on the date listed below:

EXHIBIT A. FRANCHISE AGREEMENT

EXHIBIT B. RESTRICTIVE COVENANT AGREEMENT

EXHIBIT C. LIST OF FRANCHISEES

EXHIBIT D. LIST OF FRANCHISEES THAT LEFT THE SYSTEM

EXHIBIT E. FINANCIAL STATEMENTS

EXHIBIT F. AGENCIES/AGENTS FOR SERVICE OF PROCESS

EXHIBIT G. OPERATIONS MANUAL – TABLE OF CONTENTS

EXHIBIT H. STATE ADDENDA

EXHIBIT I. RECEIPTS

Please sign and print your name below, date and return one copy of this receipt to WIO Franchising LLC, and keep the other for your records.

______________________________
Print Name

______________________________
Date of Receipt

Return to:
Franchising, LLC

______________________________
(individually or as an officer of)

______________________________
(name of business entity)

State:______________________________

# RECEIPT

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If WIO Franchising LLC offers you a franchise, WIO Franchising LLC must provide this Disclosure Document to you 14 calendar days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale unless otherwise stated in your state's addendum.

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| | |
|---|---|
| Rich Guckel, | ______________________________ |
| 755 Schneider Drive | ______________________________ |
| South Elgin, IL 60177 | ______________________________ |
| (847) 608-8500 | ______________________________ |

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EXHIBIT B. RESTRICTIVE COVENANT AGREEMENT

EXHIBIT C. LIST OF FRANCHISEES

EXHIBIT D. LIST OF FRANCHISEES THAT LEFT THE SYSTEM

EXHIBIT E. FINANCIAL STATEMENTS

EXHIBIT F. AGENCIES/AGENTS FOR SERVICE OF PROCESS

EXHIBIT G. OPERATIONS MANUAL – TABLE OF CONTENTS

EXHIBIT H. STATE ADDENDA

EXHIBIT I. RECEIPTS

Please sign and print your name below, date and return one copy of this receipt to WIO Franchising LLC, and keep the other for your records.

______________________________
Print Name

______________________________
Date of Receipt

Return to:
Franchising, LLC

____________________
(individually or as an officer of)

______________________________
(name of business entity)

State:____________________________