

FRANCHISE DISCLOSURE DOCUMENT



Brunch It Up LLC
a Wisconsin limited liability company
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Brunch It Up LLC is offering franchises for the operation under the Brunch stylized logo of a modern restaurant serving classic and inventive breakfast and lunch fare amid cheery, colorful décor, which includes a patio for outdoor service, a bar for alcohol sales and that offers pick-up catering and delivery.

The total investment necessary to begin operation of a Brunch franchise ranges from \$782,500 to \$2,235,000. This includes \$50,000 to \$55,000 that must be paid to the franchisor.

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

You may wish to receive your Disclosure Document in another format that is more convenient for you. To discuss the availability of disclosures in different formats, contact Morgan Schnabl at 714 North Milwaukee Street, Milwaukee, Wisconsin 53202, telephone 414-210-5381.

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

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

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

ISSUANCE DATE: April 24, 2023.

How to Use This Franchise Disclosure Document

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

QUESTION	WHERE TO FIND INFORMATION
How much can I earn?	Item 19 may give you information about outlet sales, costs, profits or losses. You should also try to obtain this information from others, like current and former franchisees. You can find their names and contact information in Item 20 or 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 Brunch restaurant in my area?	Item 12 and the “territory” provisions in the franchise agreement describe whether the franchisor and other franchisees can compete with you.
Does the franchisor have a troubled legal history?	Items 3 and 4 tell you whether the franchisor or its management have been involved in material litigation or bankruptcy proceedings.
What’s it like to be a Brunch franchisee?	Item 20 or Exhibit D list current and former franchisees. You can contact them to ask about their experiences.
What else should I know?	These questions are only a few things you should look for. Review all 23 Items and all Exhibits in this disclosure document to better understand this franchise opportunity. See the table of contents.

What You Need To Know About Franchising *Generally*

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

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

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

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

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

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

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

Some States Require Registration

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

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 Addend (if any).

See the Table of Contents for the location of the State Specific Addenda.

Special Risk(s) to Consider About *This* Franchise

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

Out-of-State Dispute Resolution. The Franchise Agreement requires you to resolve disputes with the franchisor by mediation at a location chosen by the mediator or litigation only in Wisconsin. Out-of-state mediation and litigation may force you to accept a less favorable settlement for disputes. It may also cost more to mediate at a location chosen by the mediator, or litigate with the franchisor in Wisconsin than in your own state.

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

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EXHIBIT A:	STATE SPECIFIC ADDENDA TO DISCLOSURE DOCUMENT
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EXHIBIT G:	ELECTRONIC TRANSFER OF FUNDS AUTHORIZATION
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ITEM 1
THE FRANCHISOR AND ANY PARENTS, PREDECESSORS, AND AFFILIATES

To simplify the language in this Franchise Disclosure Document “**Brunch,**” “**we,**” “**us,**” “**our**” or the “**Franchisor**”, means Brunch It Up LLC. “**You**”, “**your**” or the “**Franchisee**” means the person, corporation, partnership or other business entity that buys the franchise. If you are a corporation, partnership or other entity, these terms also include your owners who must sign a personal guaranty agreeing to comply with all provisions of the Franchise Agreement.

The Franchisor

We are a Wisconsin limited liability company formed on September 2, 2021. Our principal business address is 714 North Milwaukee Street, Milwaukee, Wisconsin 53202. We do business only under our company name, “Brunch” and “Brunch It Up”. In February 2022, we began offering franchises for the operation of a modern eatery operated under the Brunch stylized logo that serves classic and inventive breakfast and lunch fare and is denoted by its cheery, colorful décor, and which includes a patio for outdoor service, a bar for alcohol sales and that offers pick-up catering and delivery. Although our affiliate has operated two Brunch restaurants, we have never operated a business of the type being franchised. We do not conduct business in any other line of business, nor do we offer franchises in any other line of business. We have no parent companies.

Our agents for service of process are disclosed on Exhibit B.

The Business

We are offering franchises for the establishment, development and operation of modern restaurants that serve classic and inventive breakfast and lunch fare and are denoted by their cheery, colorful décor, which includes a patio for outdoor service, a bar for alcohol sales and that offer pick-up catering and delivery. These restaurants are only open for breakfast and lunch and provide eat-in and take-out service. These restaurants are operated under the stylized Brunch logo[®] and other trademarks, trade names, service marks and commercial symbols we may authorize (the “**Marks**”). These restaurants are referred to in this Disclosure Document as “**Restaurants**” or as a “**Restaurant**”.

You will operate your Restaurant using our unique operating system, which includes our proprietary recipes and menu items, our vibrant décor standards and other know-how, information, trade secrets and confidential information, as well as our standards, designs, methods of trademark and service mark usage, and research and development (“**System**”). We may change or otherwise modify the System at any time as we see fit. Each Restaurant may only be open only for breakfast and lunch, must feature a bar and will preferably include outdoor patio service. Each Restaurant must also offer eat-in and take-out services including pick-up catering.

You must sign our standard franchise agreement if we grant you a Brunch franchise (“**Franchise Agreement**”). Your Restaurant must sell the items and services we require and may only sell other items or services we authorize. You must also follow all the policies and procedures we specify in the operation of your Restaurant, including providing certain menu items for sale and customer service procedures. We can add to, modify, or delete any services or products that you must offer or sell at any time as we determine, and change and modify our policies.

Although we would prefer that you or we own the space that your Restaurant will be located in, it is not required. Although no prior experience in operating a restaurant is needed, it is helpful, but in any event you must have prior business experience. You must be the owner-operator of your Restaurant and you

must live in close proximity to the Restaurant. You may not hire a General Manager until you have operated your Restaurant for at least one year. After you hire a General Manager you still must be involved in the day-to-day operation of the Restaurant. Your General Manager must meet or requirements including successful completion of our training program. If you own more than 4 Restaurants directly or through affiliates, you must retain an operating partner who can assist you in the day-to-day management of the Restaurants. If you are an entity, your majority owner must be involved in the day-to-day operation of the Restaurant.

Predecessors and Affiliates

Ceasing on a market opportunity our Brunch founder opened her first Brunch location in Milwaukee, Wisconsin in June 2016. After refining the Brunch menu and its operations in March 2018 our founder opened a second location in Brookfield, Wisconsin, a suburb of Milwaukee, Wisconsin. Although the Milwaukee location is in a space that is much larger than we would require, each of these locations currently provide all of the items that a franchised Restaurant will provide and are operated and marketed under the Brunch stylized logo and Brunch name.

Each of these locations are owned by Brunch WI, LLC. As Brunch WI, LLC is licensing all of its intellectual property and marks to us it would be considered a predecessor of ours. The principal business address of Brunch WI, LLC is the same as ours. It has never offered franchises in any line of business. We have no affiliates that will offer products or services to Brunch franchisees or that offer franchises in any line of business.

Market and Competition

The target market for your services is the experiential foodie with disposable income. Your Restaurant will also cater to families as well as the 20-something crowd seeking traditional breakfast offerings with a twist. We suggest you focus your marketing efforts on these potential customers.

The market for your services is highly developed and very competitive. You will be competing for customers with other restaurants providing breakfast and lunch food. Many of these businesses are independently owned and operated but there are franchised chains who you will compete with for these customers. You will also be competing with quick-service restaurants that sell breakfast and lunch along with food sellers who sell predominantly through delivery. We do not believe that there is any seasonality to the business. However, if you are located in a state with extreme cold or hot weather your patio will be closed during those time periods.

Industry Specific Regulations

You must comply with the specific regulations applicable to the food service industry, which includes periodic inspections by health officials and maintenance of a restaurant or food seller license. You must comply with all laws regarding service of alcoholic beverages, which include age restrictions of the customers to whom alcoholic beverages can be sold. Background checks are also normally required of all the owners and certain management personnel before a liquor license will be issued. You and your bartenders must also obtain and maintain a bartending license if one is required by the applicable licensing authority. You and each of your cooks must successfully complete the “servsafe” manager certification program, or its equivalent, offered by the state regulatory body having jurisdiction over your Restaurant, or if that body does not have a servsafe certification program, then by a certification provider we approve. In most states, the certification program is offered by the state’s Department of Health, or its equivalent. You must also obtain a patio or sidewalk dining license for your patio operations. This is normally issued by the municipality in which the Restaurant is located. Your Restaurant will also be

subject to national, state and local regulations that apply to all businesses, such as the Americans With Disabilities Act, wage and hour laws, occupational health and safety, equal employment opportunity, tax laws, and business licensing requirements.

ITEM 2 BUSINESS EXPERIENCE

Morgan Schnabl – Chief Executive Officer

Morgan is the founder of the Brunch concept and has been our Chief Executive officer and a member of our Board of Directors since our organization in September 2021. Morgan has been the Chief Executive Officer and a Director of Brunch WI, LLC located in Milwaukee, Wisconsin since its organization in June 2016. Since April 2019 Morgan has also acted as a real estate broker for Realty Executives, a real estate brokerage firm located in Brookfield, Wisconsin. She acted as the Managing Broker for the Keller Williams office located in New Berlin Wisconsin from January 2016 to April 2019.

Shawn Schnabl – Chief Operating Officer

Shawn has been our Chief Operating Officer and a member of our Board of Directors since our organization in September 2021. Since October 2017 Shawn has worked as a mortgage originator at A+ Mortgage, a mortgage lender located in Muskego, Wisconsin.

ITEM 3 LITIGATION

No litigation is required to be disclosed in this Item.

ITEM 4 BANKRUPTCY

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

ITEM 5 INITIAL FEES

The initial franchise fee (“**Initial Franchise Fee**”) for a Restaurant is \$50,000. The Initial Franchise Fee is due and payable when you sign the Franchise Agreement, is fully earned by us at that time and is nonrefundable. If you qualify for our Veterans Discount, meaning you are a current member of the United States military in good standing at the time of purchase or a veteran who received an honorable discharge from a branch of the United States military, we will reduce the Initial Franchise Fee by \$10,000.

You must spend at least \$5,000 to market the grand opening of your Restaurant on marketing we approve. This marketing must run or otherwise be performed within 60 days before the grand opening of your Restaurant. If you do not meet this minimum advertising requirements in addition to our other rights, you must pay us the difference and we will put that amount in the System Brand Fund.

In our fiscal year ended December 31, 2022, we charged an Initial Franchise Fee of \$25,000, as we reduced the Initial Franchise Fee for our inaugural franchisee.

**ITEM 6
OTHER FEES**

Type of Fee	Amount (Note 1)	Due Date	Remarks
Royalty Fee	6% of monthly Gross Revenue.	On the tenth day of each month for the prior month.	Gross Revenue includes all revenue related to your Restaurant, including any revenue generated from catering or the sale of apparel. (See Note 2)
Brand Fund Contribution	1.5% of your monthly Gross Revenue.	On the tenth day of each month for the prior month.	
Additional Attendee Training Fee	\$500 per person	Before we provide the training.	You must pay \$500 per person for each person over 2 people, including yourself, who attend the Initial Training Program.
New General Manager Training	Currently, \$500 per attendee plus reimbursement of trainers travel and living expenses if training occurs at a location other than one of our affiliate's locations.	Before we provide the training.	Each new General Manager must successfully complete this training.
Operational Training Fee	Currently, \$500 per day plus travel and living expenses of our trainers if the training is not held at one of our affiliate's locations.	Before we provide the training	If you do not meet our standards and we require additional training, or we require additional training to attempt to maintain competitiveness in the industry, or you request additional training that we agree to provide.
Leadership/Kitchen Training	Currently, \$500 per attendee plus travel and living expenses of our trainers if the training is not held at one of our affiliate's locations.	Before we provide the training	All owners of your Restaurant and any General Managers must attend and successfully complete our Leadership/Kitchen Training on an annual basis.
Convention Fee (See Note 3)	No more than \$500 per person.	120 days before the convention.	If we hold a convention you must pay this fee, regardless of whether you attend the convention.
Annual Local Advertising Expenditure	You must spend at least \$10,000 annually to market your Restaurant.	Upon demand.	If you fail to spend at \$10,000 annually on local advertising we approve, you must pay us the difference and we will put that amount into the Brand Fund.
Renewal Fee	\$7,500	At least 30 days before the term of your Franchise Agreement expires.	You only pay this fee if you want to renew your franchise.

Type of Fee	Amount (Note 1)	Due Date	Remarks
Transfer Fee	Amount equal to one-half of then-current initial franchise fee. If not selling franchises at time of transfer, fee will be amount of franchise fee paid by franchisee for initial franchise.	Before you transfer the franchise.	You only pay this fee if you sell your franchise or an interest in it.
Audit	Cost of audit.	Upon demand	Payable only if audit shows an understatement of at least 2% of Gross Revenue for any month.
Indemnification	Will vary under circumstances.	As incurred	You must reimburse us if we are sued or held liable for claims arising from your business, or because of your contractors or the design or construction of your Restaurant.
Cost of Enforcement or Defense	All costs including accounting and attorneys' fees. Amount will vary under the circumstances.	Immediately after notice from us.	You only pay this amount if we are successful in any legal action we bring against you, or in defending any claim you bring against us or if you fail to follow mediate in accordance with the Franchise Agreement before bringing a claim against us.
Interest	Lesser of 1.5% per month or highest rate of interest allowed by applicable law.	As incurred	Payable on all overdue amounts.
Insurance Reimbursement	Will vary under circumstances.	Upon demand.	If you fail to maintain or provide satisfactory evidence of maintaining any insurance coverage we require, we may obtain the insurance coverage on your behalf and you must reimburse us.
Technology Fee	Varies	Monthly upon receipt of an invoice	Although we have not implemented this fee we may in the future. (Note 4)
Advertising Cooperative	No more than the Brand Fund Contribution, which is currently 1.5% of Gross Revenue	Monthly	This fee would be paid to the Cooperative.

Type of Fee	Amount (Note 1)	Due Date	Remarks
De-Identification Costs	Will vary under circumstances	Upon demand	After expiration or termination of your franchise, if you fail to remove from the premises all signage that includes our Marks, we may remove and destroy the signage at your cost.
Customer Satisfaction Fee	Costs incurred by us	Upon demand	You only pay this fee if you fail to satisfy a customer complaint and we resolve the complaint

All fees are paid to us and are non-refundable. All fees are uniform for all new franchisees. You must pay fees and other amounts due to us or our affiliates via electronic funds transfer or other similar means. You must comply with our procedures and perform all acts and deliver and sign all documents, including authorization (in the form attached to this Disclosure Document as Exhibit G or other form that we may require) for direct debits from your business bank operating account. Under this procedure you authorize us to initiate debit entries and/or credit correction entries to a designated checking or savings account for payments of fees and other amounts payable to us and any interest that may be owing. You will make the funds available to us for withdrawal by electronic transfer no later than the payment due date. If you have not timely reported the Gross Revenue to us for any reporting period, we can, at our option, debit your account for: (a) 110% of the fees transferred from your account for the last reporting period for which a report of the Gross Revenue was provided to us; (b) the amount due based on information we have regarding your business activities; or (c) 110% of the fees transferred from your account for the same period in the prior year. You must certify to us your Gross Revenue in the prior month by the 5th of the immediately following month.

Notes:

- (1) If your state, or any governmental body in your state, charges a tax on any fee you owe to us or to our affiliates, then you must pay an additional amount equal to the amount of this tax. This does not apply to any federal, or Wisconsin income taxes we or our affiliates have to pay.
- (2) You must pay us a Royalty Fee on the monthly Gross Revenues of your Restaurant. Gross Revenues means the total amount of revenues, income, receipts and other fees related to the sale of products or services (including amounts for direct delivery, catering services, the sale of apparel and other logoed items and sales to consumers through third party online ordering or delivery services) through the operation of your Restaurant and any other amounts from all business activities taking place by, at or through your Brunch business. Excluded from "Gross Revenues" are tips paid to your employees by customers and amounts collected and remitted by you to any governmental taxing authority in satisfaction of sales or occupation taxes, and in no event will charges by third-party online ordering or delivery service providers, credit card fees or any other expenses decrease Gross Revenues.
- (3) You and each of your General Managers must attend any conference or convention we decide to have for franchisees. This fee will cover the cost of that registration. If you want to send additional people to the event, for each one you will pay an additional registration fee.
- (4) We may implement a Technology Fee on 30 days' notice to you. The technology environment is rapidly changing and it is difficult to anticipate the future cost of developing, acquiring, implementing and licensing technologies, including mobile applications, related to our System.

We can change the amount of this fee as we see fit. We may implement technology initiatives as we determine. You must participate in these initiatives and pay any charges related to these initiatives, including the Technology Fee.

For more information as to your initial investment, see Item 7.

ITEM 7
ESTIMATED INITIAL INVESTMENT
YOUR ESTIMATED INITIAL INVESTMENT

Type of Expenditure (Note 1)	Low Amount	High Amount	Method of Payment	When Due	To Whom Payment is to be Made
Initial Franchise Fee (Note 2)	\$50,000	\$50,000	Lump sum	Upon signing the Franchise Agreement	Us
Real Estate (Note 3)	\$16,000	\$1,000,000	As Incurred	Before opening	Property Owner, Landlord
Real Estate Improvements (Note 4)	\$250,000	\$500,000	As Incurred	Before Opening	Vendors
Furniture, Fixtures and Equipment (Note 5)	\$150,000	\$275,000	Lump sum	Before opening	Us and Vendors
Initial Inventory (Note 6)	\$15,000	\$25,000	Lump sum	Before opening	Vendors
Initial Supplies (Note 7)	\$20,000	\$30,000	Lump sum	Before opening	Vendors
Travel and Living Expenses While Training (Note 8)	\$1,500	\$3,000	As incurred	As incurred during training	Airlines, hotels, restaurants
Grand Opening Advertising (Note 9)	\$5,000	\$7,500	As incurred	Before opening of the Restaurant	Vendors or us
Technology and Security Expenses (Note 10)	\$15,000	\$20,000	As incurred	Before opening	Vendors
Insurance (Note 11)	\$1,000	\$1,500	Lump sum	As agreed	Vendor
Signage (Note 12)	\$5,000	\$15,000	Lump sum	As incurred	Vendors
Professional Fees	\$4,000	\$8,000	Lump sum	As incurred	Vendors
Additional Funds and Working Capital for First 3 Months (Note 13)	\$250,000	\$300,000	As incurred	As incurred	Vendors and governmental agencies
TOTAL (Note 14)	\$782,500	\$2,235,000			

Notes:

- (1) These estimates are for one Restaurant that is between 3,000-4,500 square feet and contains between 80-100 seats and has 20-25 employees. None of these payments are refundable.
- (2) See Item 5 for discounts for United States veterans.
- (3) The typical size of a Restaurant is 3,000-4,500 square feet. The low estimate assumes you will lease space for your Restaurant and covers the security deposit and first month's rent for your

lease which we estimate will be \$5,000-\$12,000 depending upon your lease terms. Rent costs are generally between \$12 and \$20 per square foot in the Milwaukee, Wisconsin market, not including CAM or taxes, and will vary in other markets. The high estimate assumes you purchase an existing building for your Restaurant. We have estimated the cost to purchase an existing building to be \$400,000-\$1,000,000. These costs can vary greatly depending upon the location of the property and whether you are purchasing an existing building or a raw piece of land. The lease estimates are based on our affiliate's experiences in leasing space to operate its two locations. The estimates to purchase a property are based upon our research of property costs for a suitable space in the Milwaukee market. We encourage you to review this information with your professional advisors for assistance.

- (4) The low estimate assumes you are leasing a commercial space that was being used for a restaurant and have to make minimal improvements to the space. It excludes items such as structural modifications, site work, energy studies, surveys and exterior improvements. The high estimate assumes you have purchased a property with an interior that is minimally or only partially finished allowing you to convert the space into a restaurant. Each estimate includes the cost of an architect to create detailed construction documents and to assist in the construction of your Restaurant in compliance with our mandatory specifications, and to obtain any required permits, and conform the premises to local ordinances or building codes.
- (5) These estimates are for the purchase of tables, table accessories, chairs, high chairs, booster seats for children, kitchen equipment, small wares, shelving, menus, a host section and waiting area seating, and décor for the Restaurant including pictures. If you were converting a location and already owned many of these items, the cost would be less.
- (6) These estimates are for the purchase of food and alcohol, food stuffs and ingredients. If you were converting a location and you had many of these items this cost would be less.
- (7) These estimates are for the purchase of a start-up package from our approved vendor, office and cleaning supplies for your Restaurant and Brunch apparel for your employees. If you were converting a location although you would have some of these costs you would not incur many of them assuming your existing office and cleaning supplies met our standards.
- (8) While we do not charge for our Initial Training Program, you must pay for airfare, meals, transportation costs, salaries, benefits, lodging and incidental expenses for all attendees. This training will be held at our Milwaukee, Wisconsin location or at another location we specify. Your actual costs will vary depending on the distance to be traveled, your method of travel, and your personal circumstances. The low estimate assumes one attendee at the training. The high estimate assumes you and one other person working at your Restaurant attend the training.
- (9) You must spend at least \$5,000 to market the grand opening of your Restaurant on marketing we approve. This marketing must run or otherwise be performed during the 60 day period before the grand opening of your Restaurant. If you fail to do so, you must pay us the difference and we will put that amount into the Brand Fund.
- (10) These estimates are for the minimum technology, including a point of sale and waitlist system, a sound system, handheld ordering devices for 10 servers, 3 mounted ordering monitors, 4 kitchen screens, 3 printers, a laptop computer and a security system including a minimum of 4 cameras. It also includes the initial cost for point of sale software, email marketing software, scheduling software, restaurant management software, office software, training system software, security system software, a music license and anti-virus software.

- (11) You must carry the types and minimum amounts of insurance we specify. We currently require you to carry , property insurance covering the Restaurant, all of your personal property, any improvements to the Restaurant, equipment breakdown, food spoilage, utility services direct and indirect damage, business income, and earthquake or flood, as applicable, crime insurance coverage including employee dishonesty coverage, liability insurance including commercial general liability insurance, liquor liability or dram shop coverage, automobile liability, including garage keepers liability, if applicable, workers compensation and employers liability insurance, cyber insurance, and umbrella coverage, .
- (12) These estimates are for Brunch window decals and signage for your Restaurant including the outdoor signage on the front of your Restaurant. The high estimate assumes you need to add a panel for placement of the outdoor sign on the front of your Restaurant.
- (13) This amount includes estimated operating expenses you should expect to incur during the first 3 months of operation, which includes utility costs, permits, insurance premiums, security system costs, maintenance and repair costs, vehicle lease costs, advertising costs, rent, repairs, office expenses, third party delivery fees. It excludes any revenue generated by your Restaurant and taxes, but it does include compensation for 25 employees at approximately \$14,000 per month, excluding employment taxes. However, as compensation is extremely variable depending on the region of the country your Restaurant is in as well as the location of your Restaurant in that region this amount may change significantly. We have relied on the experiences of our affiliate in opening and operating locations in the Milwaukee, Wisconsin market to make these estimates.
- (14) This is only an estimate of your initial investment and is based on our estimate of costs and market conditions prevailing as of the date of this Franchise Disclosure Document. It is possible to significantly exceed costs in any of the areas above. You should review these figures carefully with a business and a legal advisor before making any decision to purchase a franchise. Many factors that are unique to your market can make a dramatic difference in the estimates provided. We do not offer financing for any part of the initial investment. The availability and terms of financing will depend on factors like the availability of financing generally, your credit worthiness, your relationship with local banks, your business experience, and any additional collateral you may offer to a lender to secure the loan. Our estimates do not include any finance charges, interest or debt service obligations.

ITEM 8 RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

The equipment, including kitchen equipment, food, food stuffs, ingredients, point of sale and wait list systems, supplies, beverages, including alcohol, condiments, including hot sauces, staff uniforms, décor, signage, furniture, including tables, chairs, high chairs, booster seats, menus, music play lists, computer hardware and software, including marketing software, technology and security systems, internet and other electronic communication services, and third party delivery providers, must all meet our specifications. Those specifications may include minimum standards for type, composition, performance, design, appearance, and quality. We will issue the specifications to you before you begin operating. We may include these specifications in the manual that we provide to you either hard copy or on-line, or we may issue them separately. While we do not have specifications for local advertising you create or have created to promote your Restaurant, you must obtain our prior approval to the use of any of these advertising materials, and before establishing or having established any website, web page, social media and/or social networking site, profile, account, or hashtag relating to or making reference to us, your Restaurant, the Marks, the word “Brunch” or the System. Your restaurant site and your Restaurant’s design and décor, layout and construction must also meet our specifications and your lease or sublease

must contain certain provisions we require. Your insurance must meet our specifications, including type, amount, minimum deductibles, insurance carrier rating, additional insured designations and subrogation waivers. See Item 7 for additional information.

You can expect that the items you purchase to meet our specifications will represent over 90% of the total purchases you will make to begin operations. Once you begin operating, we expect the items you purchase that meet our specifications will represent between 70% and 75% of your total annual expenses.

We may require you to purchase certain food products, software marketing materials, supplies, equipment, build-out and technology services, internet and other electronic communication services, other services used or offered by your Restaurant, and other items, from suppliers we approve, in which case we will provide you with a list of approved suppliers. These suppliers may pay rebates to us. There are no caps or limitations on the amount of rebates we may receive from suppliers as a result of franchisee purchases. These rebates may be a flat fee or percentage amount based on your purchases. These suppliers may also provide us goods or services free or at reduced rates based on your purchases. They may also provide us and our affiliates with credits on purchases we and our affiliates make from them based on the volume of purchases our franchisees make from them. One supplier will pay us \$1,000 per referral we make to that supplier who purchases items from that supplier. Another supplier will pay us 4% of the amount of sales it makes to our franchisees. We can do as we see fit with any amounts paid to us. As of December 31 2022, neither we nor our affiliates received any payments or other consideration from suppliers for purchases by franchisees, and we did not receive any payments from franchisees for the purchase or lease of goods or services.

If you want to purchase items for your Restaurant that differ from our specifications, or from an unapproved supplier, you must notify us in writing. If we request, you must submit samples and other information we require for testing or to otherwise determine whether the product, material, or supply and supplier meets our specifications and quality standards. We do not impose any fee for our consideration.

Although we do not make available the criteria we review when approving unapproved items or suppliers, we consider various factors including whether the product or service is consistent with our concept and brand; how the supplier and/or their products or services would enhance our brand; if the product or service is already available through other sources, would approval of another vendor enhance competition or dilute our ability to maximize pricing benefits for our franchisees; and is the product of a commercial quality with a proven record of durability. We will generally notify you and the supplier of our approval or disapproval within 60-days of our receipt of all the information and samples we request. If we revoke approval of any supplier or any item offered by a supplier, we will send you written notice of our revocation of an approved supplier or item.

We have sole suppliers for your point-of-sale system, food, food stuffs and other food ingredients, coffee, mugs for resale and t-shirts for your staff, the marketing platform and marketing materials you must use to advertise your Restaurant. You must purchase these items only from these suppliers. We may in the future require you to purchase other items or services from a single supplier and that supplier may be us or our affiliates. We will be the sole supplier of your hot sauces. We or our affiliates may in the future sell you other products or services and we may be the sole supplier of these products or services. We and our affiliates intend to make a profit on any products or services they or we sell to you.

We do not have any purchasing or distribution cooperatives as of the date of this Disclosure Document. We may negotiate purchase arrangements with suppliers and distributors of products and services for the benefit of our franchisees. We do not provide material benefits, such as renewing or granting additional franchises to franchisees, based on their use of designated or approved suppliers and distributors.

No officer of ours owns any interest in any approved supplier to our System.

**ITEM 9
FRANCHISEE'S OBLIGATIONS**

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

Obligation	Section in Franchise Agreement	Disclosure Document Item
a. Site selection and acquisition/lease	Sections 3; 4; 11(m); 13(a); Lease Rider	Items 7 and 11
b. Pre-opening purchases/leases	Sections 3(c)-(i); 13(a)	Items 7 and 8
c. Site development and other pre-opening requirements	Sections 3(b)-(j); 4; 10(a); 11(a); 13(a); 14(e); 15(a); 24	Items 7 and 11
d. Initial and ongoing training	Sections 10(a), (b),(e),(f),and (i); 11(a)-(c) and (d)	Item 11
e. Opening	Sections 3(f) and (g); 8(d); 10 (h), 11(a)	Items 7 and 11
f. Fees	Sections 2(c); 6; 7; 8(a), (d) and (e); 9(a)-(c), (f) and (g); 10(a)-(c), (e), (f), (i), and (j); 14(b); 18 (ii)(b) and 18 (ii)(e); 22(a)-(c);23(c); Guaranty	Items 5, 6 and 7
g. Compliance with standards and policies/operating manual	Sections 2(b) and (c); 3; 4; 8(c)-(h); 9(a); 10 (d); 11; 12(a); 13(a) and (b); 14(a) and (d); 15	Items 8, 11, 15, and 16
h. Trademarks and proprietary information	Sections 8(b), (h), (i); 10(d); 11(f); 12; 14(d); 16	Items 13 and 14
i. Restrictions on products/services offered	Sections 11(d)-(f); 13	Items 8, 11, and 16
j. Warranty and customer service requirements	Sections 11(d) -(f), 24(a)	Item 16
k. Territorial development and sales quotas	Section 5 and Rider	Item 12
l. Ongoing product/service purchases	Section 13	Item 8
m. Maintenance, appearance and remodeling requirements	Sections 3 (i), (k), and (l); 11(d), (e),(g),(h), and (j); 12(a)	Item 6
n. Insurance	Section 15	Item 7
o. Advertising	Sections 3(i) and (n); 8; 13(a); 16(b)	Items 6, 7, and 11
p. Indemnification	Sections 3(j); 18(f); 21(d), 22(d), 23(c) and (d)	Item 6
q. Owner's participation/management/staffing	Sections 10(a); 11(b), (l) and (m)	Item 15
r. Records and reports	Section 14(a)	Not Applicable

Obligation	Section in Franchise Agreement	Disclosure Document Item
s. Inspections and audits	Sections 14(b) and (c)	Not Applicable
t. Transfer	Sections 18	Item 17
u. Renewal	Sections 2(b)-(d)	Item 17
v. Post-termination obligations	Sections 17; 18(c)(ii); 21(c); 21(d)	Item 17
w. Non-competition covenants	Section 17	Items 15 and 17
x. Dispute resolution	Section 22	Item 17
y. Other: guaranty of franchise obligations (Note 1)	Section 14(e) and Personal Guaranty (which follows the Franchise Agreement)	Item 15

Notes:

- (1) Each individual who is an owner of any business entity that is the franchisee, and their spouse, must sign a personal guaranty of all the obligations of the franchisee. This guaranty also includes an agreement to be bound by the confidentiality and noncompete provisions of the Franchise Agreement.

**ITEM 10
FINANCING**

We do not offer, directly or indirectly, any financing to you to help you establish your business. We do not guarantee any note, lease or other obligation you incur. We and our affiliates may sell, assign or discount to a third party all or part of any amounts you may owe to us or to our affiliates.

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

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

Before you open your Restaurant, we will:

- (1) Provide you a “search area” in which you must locate your Restaurant (Franchise Agreement – Section 3(a)/Rider), assuming we have not approved a site for your Restaurant at the time you sign the Franchise Agreement.
- (2) Provide you with a demographic study of the search area in which you will locate your Restaurant (Franchise Agreement – Section 3(b)).
- (3) Provide you with selection criteria we use when evaluating sites for a Brunch location (Franchise Agreement – Section 3(c)(ii)).
- (4) Visit your market area one time to review 2 potential locations you have identified for your Restaurant (Franchise Agreement – Section 3(c)(iii)).
- (5) Approve the location of your Restaurant as meeting our minimum requirements for the location of a Brunch Restaurant (Franchise Agreement – Section 3(c) and (e)).
- (6) Designate your Designated Territory (Franchise Agreement – Section 3(c)(iv)/Rider).

(7) Provide you a sample layout of the interior of a Brunch restaurant, including typical preliminary plans and décor specifications (Franchise Agreement – Section 3(f)).

(8) Review the plans and specifications you provide us for your Brunch Restaurant and approve them or provide comments to you on them (Franchise Agreement – Section 3(f)).

(9) Review your proposed lease for your Restaurant to confirm that it does not contradict the terms of the Lease Rider (Franchise Agreement – Section 4(a)).

(10) Provide you with 5 days of opening support in the 14-day period leading up to the opening of your Restaurant (Franchise Agreement – Section 10(g)).

(11) Provide you with a sub-page on our website to advertise your Restaurant (Franchise Agreement – Section 8(h)(i)).

(12) Provide two (2) attendees, at our expense, the Initial Training Program (Franchise Agreement – Section 10(a)).

(13) Loan you a copy of our manual that contains various information including mandatory and suggested specifications, standards and procedures. We may modify any manual periodically in our discretion. (Franchise Agreement – Section 10(d)). As of the issuance date of this Disclosure Document, the Brand Standards Manual contains 319 pages. A copy of the table of contents of the Brand Standards Manual is attached to this Disclosure Document as Exhibit C.

(14) Provide you with specifications for leasehold improvements, fixtures and equipment for the Restaurant (Franchise Agreement – Section 3(h)) and a list of the approved suppliers for certain equipment, products, supplies and services for your Restaurant (Franchise Agreement – Section 13(a)).

During the term of the Franchise Agreement, we will:

(1) Provide you with 5 days of opening support within the 14-day period after the grand opening of your Restaurant (Franchise Agreement – Section 10(g)).

(2) Be available during normal business hours to provide you with telephone support on operating issues you confront (Franchise Agreement – Section 10(g)).

(3) Provide our Initial Training Program to any General Manager you retain at your Restaurant (Franchise Agreement – Section 10(b)).

(4) Provide you with additional training as discussed below (Franchise Agreement – Sections 10(c) and (f) and (i)).

(5) Maintain and administer the Brand Fund (Franchise Agreement – Section 8(a) and (b)).

(6) Maintain a website and a sub-page on it to advertise your Restaurant (Franchise Agreement – Section 8(h)).

(7) Conduct periodic calls or on-line sessions with you and other franchisees to discuss various issues including operating procedures, best practices and new offerings (Franchise Agreement – Section 10(g)).

Training

Initial Training Program

All owners of your Restaurant must successfully complete the Initial Training Program. If we allow you to have a General Manager that individual must also complete the Initial Training Program. The classroom portion of the Initial Training Program must be completed by your attendees within 60 days after you sign the Franchise Agreement. The on-the-job portion of the Initial Training Program must be started within 30 days of our approval of your Restaurant site and successfully completed within 45 days of beginning this training. (Franchise Agreement – Section 10(a)).

The Initial Training Program will usually be conducted in the Milwaukee, Wisconsin area at one of our locations or at a location we specify. This training will be held on an as needed basis as we sell franchises. There is no charge for you and one additional person to attend the Initial Training Program, but you are responsible for all travel and living expenses you and your attendees incur in attending the training. If any of your attendees fail this training or do not successfully complete it within the times discussed above we can terminate the Franchise Agreement and retain any amounts you may have paid us or our affiliates. If more than 2 people attend the Initial Training Program we currently charge \$500 per person. (Franchise Agreement – Section 10(a)).

Our Initial Training Program as of the date of this Disclosure Document consists of approximately 5 days of classroom training and 2 weeks of on-the-job training as follows:

INITIAL TRAINING PROGRAM

Subject	Hours of Classroom Training	Hours Of On-The-Job Training	Location
The Brunch Brand	2		
Recipes/Ingredients	8	40	Milwaukee, Wisconsin
Organization/Staffing	4	0	Milwaukee, Wisconsin
Daily Operating Procedures/Reporting/Accounting	4	40	Milwaukee, Wisconsin
Financial Management	4	0	Milwaukee, Wisconsin
People	4	0	Milwaukee, Wisconsin
Total Training Time	26	80	

The officer in charge of our Initial Training Program is Morgan Schnabl. Morgan is the founder of the Brunch brand, and has been involved in the restaurant industry since opening her first Brunch location in June 2016. Each instructor providing this training will have been affiliated with us for at least 1 year and have at least 1 year of experience in business. Our Brand Standards Manual serves as our primary instructional material during the Initial Training Program. All or a portion of the class-room training described above may be provided on-line. You will work in one of our Brunch restaurants during the on-the-job portion of the Initial Training program. You will not be paid for your time and you will not be our employee. If this is the fourth or more Restaurant owned by you or an affiliate, the Initial Training Program must be completed by your operating partner within 90 days of being named the operating partner.

Additional Training

New General Manager Training

Any General Manager of your Restaurant who does not complete the Initial Training Program before opening of your Restaurant must attend and successfully complete to our satisfaction the classroom portion of our Initial Training Program within 30 days after they begin to perform services on your behalf. The cost for this training is currently \$500 per attendee. This training will be held on-line. (Franchise Agreement – Section 10(b)).

Operational Training

If you do not meet our standards and we require additional training, or we require additional training to help maintain competitiveness in the industry you must successfully complete this training. If you request training we will provide it to you as long as we can agree on the subjects, training times and costs. (Franchise Agreement – Sections 10(c) and 10(i)). Cost of this training is currently \$500 per day plus travel and living expenses of our trainers if the training is not held at one of our restaurants. This training may be a mix of in-person and on-line training. If we require this training you must complete it to our satisfaction. You are responsible for travel and living expenses of your attendees.

Leadership/Kitchen Training

We will hold this training on an annual basis. Each owner of your Restaurant and any General Manager of your Restaurant must attend this training. We will provide leadership and kitchen training that your attendees may use in your Restaurant with your staff. This training may be held in-person or on-line. If it is in-person it will be held in the Milwaukee, Wisconsin area or in another location we specify. The cost for this training is currently \$500 per attendee plus travel and living expenses of our trainer if the training is not held in Milwaukee, Wisconsin. Your attendees must complete this training to our satisfaction. You are responsible for travel and living expenses of your attendees. (Franchise Agreement – Sections 10(f)).

Convention

Any owner owning 50% or more of your Restaurant and each General Manager of your Restaurant must attend any conference or convention we decide to have for franchisees. As of the date of this disclosure document we have not yet determined this fee but it will not initially be more than \$500 per person. If you want to send additional people to the event, for each one you will pay an additional registration fee. (Franchise Agreement – Sections 10(e)).

Advertising Programs

System Brand Fund

Under the Franchise Agreement, you must contribute 1.5% of your monthly Gross Revenue to the Brunch System Brand Fund. (Franchise Agreement – Section 8(a)). Your contributions to this Fund are due at the same time you pay your Royalty Fee, based on the amount of Gross Revenue your Restaurant generated in the previous month. All our franchisees must contribute to this Fund. Restaurants operated by us and our affiliates will not contribute to this Fund.

We account for the contributions to this Fund separately from our other revenues, and we do not use them to pay any of our general operating expenses other than our costs of administering the Fund and for creative services, including salaries and overhead of our employees and contractors working on Fund

matters. The purpose of the Fund is to develop programs that benefit the Brunch brand and promote the Marks. This means we may use monies in the Fund for any purpose that promotes the Brunch name or any other names we choose to use in the System, including the creation, production and placement of commercial advertising; to pay for agency costs and commissions; to pay the costs to create and produce video, audio and written advertisements; to pay for direct mail and other media advertising, including internet advertising, internet search engine campaigns, direct email marketing, and the cost to maintain and update our websites, web pages, social media and social networking sites, profiles and accounts, for the costs to create and maintain any applications, whether web-based or otherwise, and for the costs of search engine optimization; in-house staff assistance and related administrative costs; local and regional promotions; public relations campaigns including the cost of retaining public relations firms; market research; and other advertising and marketing activities.

We may create advertising materials in-house or use international, national, regional and local agencies. Advertising may be placed in local, regional or national media of our choice, including print, direct mail, electronic and online advertising, email campaigns, video, radio or television. We do not guarantee that advertising expenditures from the Fund will benefit you or any other franchisee directly, on a pro rata basis, or at all. It is our responsibility to determine how these monies are spent. We are not required to use monies in this Fund to benefit any individual market. However, we will not spend any portion of these monies for advertising principally designed to solicit the sale of franchises, but we may use monies in the Fund to update and administer our social media presence, including any website, web page, social media or social networking site, profile or account, or any application, web-based or otherwise, which may contain information on franchise opportunities. We had no franchisees who paid a Brand Fund contribution in 2022 so we did not collect or spend any Brand Fund contributions.

Any unused amounts in the Fund in any calendar year will be carried over to the following year. Any interest the Fund earns will be used for advertising before we use any principal. At your request, we will make available to you an annual accounting for the Fund that shows how the Fund monies were spent for the previous year, but these statements will not be audited. We may, but have no obligation to, loan amounts to the Fund and can determine the repayment obligation of the Fund, including interest rate of the loan and repayment terms, as we see fit.

We do not have an advertising council that advises us on advertising policies.

Local Marketing/Websites

You must conduct your own local marketing of your Restaurant. You must spend at least \$5,000 to market the grand opening of your Restaurant on marketing we approve. (Franchise Agreement – Section 8(d)). This marketing must run or otherwise be performed within 60 days before the grand opening of your Restaurant. You must spend at least one percent (1%) of Gross Sales annually on local advertising for your Restaurant that we approve. (Franchise Agreement – Section 8(e)). If you do not meet one or both of these minimum advertising requirements, in addition to our other rights, you must pay us the difference and we will put that amount in the System Brand Fund. You must also participate in at least 4 local marketing events per year in your market area that meet our specifications and you must maintain membership in those local, regional and national associations that we require and attend the minimum number of networking events per month as we may require. (Franchise Agreement – Section 8(f)).

You must obtain our prior approval of all local marketing you engage in for your Restaurant. (Franchise Agreement – Section 8(c)). Use of the Marks and other materials identifying our brand must be consistent with our approved standards. You are ultimately responsible for insuring that your advertising complies with all applicable laws before using it.

You may not use the Marks or other materials identifying our brand on items to be sold or services to be provided without our prior written approval. You must also obtain our approval before establishing, or having established, any websites, applications, online directory, hashtags, profiles or accounts relating to us, your Restaurant, or to the System. You may not offer, promote or sell any products or services or make use of any of our Marks, your Restaurant or the System, through the Internet without our prior approval. Without our prior approval you may not promote your Restaurant or use our Marks, or reference your Restaurant or the System on any social media or networking website or use social media in your Restaurant's operation. We may also impose prohibitions on you posting or blogging comments about the Restaurant or the System. "Social media" includes personal blogs, common social networks like Facebook, Instagram, TikTok, Twitter, Snapchat and Pinterest; professional networks, business profiles or online review or opinion sites like LinkedIn, Google Business Profile or Yelp; live-blogging tools like Twitter and Snapchat; virtual worlds, file, audio and video-sharing sites, and other similar social networking or media sites or tools). (Franchise Agreement – Section 8 (h)).

Although we can require you to, we do not currently require Brunch franchisees to participate in a local or regional advertising cooperative. If we do, we will define the area of membership of the cooperative and determine how much you must contribute to the cooperative. If we establish a cooperative in a market serviced by restaurants owned by us or an affiliate, these restaurants will not participate in the cooperative. We will administer any cooperatives. The cooperatives will not operate from governing documents nor will they prepare annual or periodic financial statements. We can form, change, dissolve or merge these cooperatives. (Franchise Agreement – Section 8(g)).

Site Selection and Opening

You must operate your Restaurant from one location we approve in your Designated Territory. If you do not have a location that we have approved for your Restaurant at the time you sign the Franchise Agreement, we will assign you a non-exclusive "search area" in which you must locate your Restaurant. Other than providing you with criteria we look for in any potential site and reviewing 2 potential sites for your Restaurant as discussed above, we do not provide you with any site selection assistance. Although we provide you with prototypical preliminary plans and décor specifications for a Restaurant, we do not conform the premises to local ordinances and building codes or obtain any required permits for you, and we do not construct, remodel or decorate the premises. (Franchise Agreement – Section 3(c), (d) and (f)).

You must submit to us information and materials we require and obtain our approval of the site for your Restaurant within 90 days after the date you sign your Franchise Agreement. (Franchise Agreement – Section 3(a)). If we have not approved a site within this time period we can terminate your Franchise Agreement and retain any amounts you have paid. We take various factors into consideration when reviewing a site, such as whether the site is proposed to be located in a downtown metropolitan area or within walking distance of a university or tourist attraction, the real estate class of the proposed location, the location and proximity of the site to a high density, high income residential neighborhood, whether the location is on a main thoroughfare, the size of the proposed premises, ability to place signage on the building and the sites visibility from any major thoroughfares, its parking availability and its proximity to other Brunch Restaurants. The site must generally be between 3,000 and 4,500 square feet. The site must have space for curbside pick-up that meets our standards. You must also provide us with a copy of your lease or sublease so that we can confirm that it meets the requirements of the Franchise Agreement and you must sign the Lease Rider to the Franchise Agreement. Although we would prefer that you, we or an affiliate of ours own the building in which the Restaurant will be located, we do not require it. (Franchise Agreement – Section 3(c) and 4).

You may not open your Restaurant until: (1) we notify you in writing that all of your pre-opening obligations have been fulfilled; (2) your owners and your General Manager, if any, have completed our

Initial Training Program to our satisfaction; (3) you have furnished us with copies of all insurance policies and certificates required by the Franchise Agreement, or other documentation of insurance coverage and payment of premiums we request; (4) you notify us that all approvals and conditions in the Franchise Agreement have been met; and (5) you have obtained all required permits and licenses. (Franchise Agreement – Section 11(a)). You must open your Restaurant within 1 year from the date you sign your Franchise Agreement. (Franchise Agreement – Section 3(g)). If you do not, we can terminate your Franchise Agreement and retain all amounts you have paid to us.

We estimate that the typical length of time between signing of the Franchise Agreement and the opening of your Restaurant will be between 10-12 months. Some factors that may affect this timing are the amount of time it takes you to locate a site we approve, whether you purchase the site or lease or sublease it, your ability to secure financing, the extent of remodeling needed for your site, and your required attendees availability to complete the Initial Training Program.

Computer Systems

Computer Hardware

You must purchase and use in your Restaurant at a minimum a point of sale and waitlist system, a sound system, handheld ordering devices for each of your servers, 3 mounted ordering monitors, 4 kitchen screens, printers, and a laptop computer or iPad. All of these items must meet our specifications, including those related to model, brand and functionality. (Franchise Agreement – Section 13(a)). You will use this hardware for various functions including to record customer information, including customer order information like menu preferences, to process customer transactions, perform accounting functions, inventory control, order fulfillment, and to process payroll, maintain financial information, produce daily reports, and email correspondence with us and others. You must also purchase the hardware required for a security system, including a minimum of 4 security cameras. The number of items specified above is based upon a 80-100 seat Restaurant. If you have additional seats in your Restaurant, you will need to purchase additional hardware.

Computer Software

You must obtain the most current version of Microsoft Office and Microsoft Excel, training system software and anti-virus software. All of this software will be used on your laptop computer or iPad. You must also license the software for your security system and obtain a music license for the music to be played in your Restaurant. You must also license point of sale software, email marketing software, scheduling software, training software, restaurant management software. You must renew your licenses on a yearly basis. (Franchise Agreement – Section 11(g) (h) and 13(a)).

We estimate the total cost for the computer hardware and software above, to be between \$15,000 and \$20,000. This does not include ongoing music licensing costs, which will vary, nor does it include processing fees. See Item 7 for more information.

Ongoing Maintenance and Use

We are not obligated to provide you with ongoing maintenance, repairs, upgrades or updates to the technology discussed above. Although most new computer hardware comes with a limited warranty, we are not aware of any third parties with an obligation to repair, update, upgrade or maintain these items. We anticipate that you will be required to upgrade or update your technology during the term of the franchise, and there are no contractual limitations on the frequency and cost of the obligation. (Franchise

Agreement – Section 11(h)). We estimate that the annual cost to maintain your hardware and software, including any license renewals will be approximately \$15,000.

You must have access to the Internet and maintain an email account that allows us to communicate with you on a regular basis. We can independently access your electronic information and data, and collect and use this electronic information and data in any manner we choose without compensation to you. There is no contractual limitation on our right to receive or use information we obtain from you. You must protect yourself from viruses, computer hackers, and other communications and computer-related problems. (Franchise Agreement – Section 11(g)).

ITEM 12 TERRITORY

If you do not have a site for your Restaurant when you sign your Franchise Agreement, we will list a general “search area” in the Rider to your Franchise Agreement. You do not acquire any exclusive rights in this area. It is only the area in which you will look for a site for your Restaurant. We may grant other people a franchise for this area as well. Once you identify a site for your Restaurant, and we approve that site, we will then update the Rider to your Franchise Agreement to identify this location. Your site may not be located within the Designated Territory of another Brunch franchisee

At the time we approve a site for your Restaurant, we will also grant you a territory. We refer to this territory as the “**Designated Territory**” and we describe it in the Rider to your Franchise Agreement. Your Designated Territory will generally encompass an area surrounding your Restaurant that is 3 miles. However, the exact size will depend upon various factors including whether your Restaurant is located in a metropolitan area and its proximity to other Brunch Restaurants. Designated Territories may overlap, but we will not approve anyone opening a Brunch Restaurant, or relocating a Bruch Restaurant, that would be physically located in a Designated Territory of another franchisee. We will allow you to relocate your Restaurant so long as it continues to be in your market, is not within the Designated Territory of another of our franchisees, and meets our other then-current requirements for a site.

As long as you are in compliance with your Franchise Agreement and any other agreements with us and any of our affiliates, we will not operate or grant a third party the right to operate under the Brunch name a sit-down restaurant that offers only breakfast and lunch service that is physically located in your Designated Territory. Other than this limitation there are no other prohibitions on us in your Designated Territory. For example, we can operate or allow others to operate similar or identical businesses within the Designated Territory even if such businesses operate under our Marks so long as the businesses locations are not physically located in your Designated Territory. This may occur as other Brunch franchisees may deliver to customers in your Designated Territory even though their Restaurants are located outside of your Designated Territory. We can also operate or allow others to operate similar or identical business within your Designated Territory if these businesses do not operate under the Brunch name or outside of your Designated Territory under any trademarks even if the businesses compete with your Restaurant. We can also operate or allow others to operate businesses that are physically located inside the Designated Territory under the Marks so long as the businesses are not competitive with your Restaurant. We can sell any products we or our affiliates provide to you for use or sale in your Restaurant to any other party, whether in or outside your Designated Territory. We can sell or grant third parties the right to sell goods or services competitive with those sold by your Restaurant under the Marks or otherwise through other distribution channels including the Internet, catalog sales, telemarketing or other direct marketing, inside and out of your Designated Territory. We can acquire businesses in the Designated Territory that are similar to your Restaurant or sell our business whether through a sale of assets or stock to anyone, regardless whether they operate or franchise the operation of businesses similar to your Restaurant.

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

If you are in compliance with your Franchise Agreement, you will retain the rights described above. You will not receive any options, rights of first refusal, or similar rights to acquire additional franchises. We will not pay you any compensation for soliciting or accepting orders in your Designated Territory.

We do not restrict the customers you may serve, and you generally may solicit customers outside your Designated Territory. In fact, aggressive franchisees may solicit customers in your Designated Territory and may sell them menu products for delivery to a location in your Designated Territory. .

Although you can solicit customers outside of your Designated Territory you cannot solicit these customers via the Internet, telemarketing or other direct marketing efforts unless we approve of those efforts. In any event, all of your advertising must be approved by us, and you must obtain our written approval before you establish any website, web page, or social networking or social media site, profile, account or hashtag, or application, web-based or otherwise, relating to or making reference to us, your Restaurant, the Marks, the word “Brunch” or the System.

ITEM 13 TRADEMARKS

The Franchise Agreement gives you the right to operate a Restaurant under the trade names, trademarks and service marks that we establish. We consider the Brunch stylized logo to be our principal mark. This mark was registered by our affiliate on the Principal Register of the United States Patent and Trademark Office (“USPTO”) on March 27, 2018, Registration No. 5,432,341. Although the Brunch stylized logo has been registered with the USPTO the Brunch word mark has not been registered. We also applied for the word mark Brunch It Up. with the USPTO on June 20, 2022, serial number of 97466938. We do not have a federal registration for this mark. Therefore, it does not have many legal benefits and rights as a federally registered trademark. If our right to use this trademark is challenged, you may have to change to an alternative trademark, which may increase your expenses.

There are no currently effective material determinations of the USPTO, the Trademark Trial and Appeal Board, the trademark administrator of any state or any court, any pending infringement, opposition or cancellation proceedings or any pending material litigation involving any of the Marks which are relevant to the use of these Marks. No currently effective litigation affects our use or rights in any of these Marks. No currently effective agreement limits our right to use or license the use of these Marks. All affidavits required to preserve and renew the principal mark disclosed above have been or will be filed. We do not know of any infringing uses that could materially affect your use of the Marks. However, there are various companies in various industries using the term “Brunch” alone or in combination with other terms as a part of their corporate name or to describe their business or business services.

We obtained the rights to use the Brunch stylized logo, the Brunch word mark and all other marks, logos, commercial symbols and other intellectual property owned by our affiliate, and to license others to use these items, under an Intellectual Property License Agreement dated December 31, 2021 between us and our affiliate. Under the terms of that Agreement, our affiliate may continue to operate its own Restaurants under these marks, provided it does not do so within any Designated Territory granted to any of our franchisees. We are not restricted in any way in which we use these items and the length of the Agreement is indefinite. We therefore essentially have all the rights as the owner of the intellectual property to license others to use the intellectual property. If this License Agreement were terminated you would have to stop using the Marks and all other intellectual property licensed to us under the Agreement

You must follow our standards when you use the Marks. You may not use any of the Marks alone or with modifying words, designs or symbols as part of a corporate or business name or in any form on the Internet, including online directories, URLs, domain names, hash tags, e-mail addresses, locators, links, metatags or search techniques nor with any applications, web-based or otherwise. You may not use any of the Marks for the sale of any unauthorized product or service or in a manner we have not authorized in writing.

We will protect and maintain all rights to use the Marks against encroachment, misuse or unauthorized use and against all challenges to any rights of use, as we deem appropriate. You must notify us immediately when you learn about an infringement of or challenge to your use of these Marks. We may take the action necessary, in our sole discretion, to prevent the unauthorized use of the Marks, including bringing actions against third parties regarding the use of any of the Marks, but the Franchise Agreement does not require us to take any specific affirmative action. We will control any administrative proceedings or litigation involving the Marks. You must cooperate with us and take all actions we require to carry out the defense or prosecution. While we are not required to defend you against a claim based on your use of the Marks, we will either do so, or we will reimburse you for your liability as long as you properly use the Marks, including against claims of infringement or unfair competition arising out of your use of the Marks.

We may change the Marks and require you to adopt new marks as if they were part of the Franchise Agreement at the time you sign it. You must comply with these changes immediately after we notify you that we have discontinued, modified or changed one or more of the Marks. We will have no liability or obligation because of the discontinuation, modification or change. You must not directly or indirectly contest the validity of the Marks or our right to use or license the Marks, trade secrets, confidential information or business techniques that are part of our System. You must use the designations of ®, ™, and SM in advertising and promotions using the Marks, as we designate.

ITEM 14 PATENTS, COPYRIGHTS, AND PROPRIETARY INFORMATION

There are no patents or pending patent applications that are material to the purchase of a franchise. We claim copyright protection for our manuals, our menus and to advertising and promotional materials, forms, and related materials that we may produce, but we have not registered any of these materials with the Copyright Office of the Library of Congress. These materials are proprietary and confidential and are our property. You may use them only as long as you are a franchisee, and only as provided in your Franchise Agreement. We may change these items at any time and you must modify your operations to comply with these changes. We will have no liability or obligation because of the discontinuation, modification, or change of any item.

There are currently no effective determinations of the United States Copyright Office or any court regarding any of our copyrighted materials, nor are any proceedings pending, nor are there any currently effective agreements between us and third parties pertaining to our copyrighted materials that will or may significantly limit your use of our copyrighted materials. We are not aware of any infringing uses of these materials that could materially affect your use of these materials. We are not required by any agreement to protect or defend our copyrights.

We will be disclosing to you certain information we believe to be confidential or proprietary information and trade secrets, including our recipes and any formulae. This information will be included in our manuals, and in materials we may separately provide you. You may use these materials, in the manner we approve, in the operation of your Restaurant during the duration of your Franchise Agreement. However, you may not use these materials in any other way for your own benefit, or communicate or

disclose them to, or use them for the benefit of, any other person or entity. These materials include all trade secrets, knowledge or know-how, confidential information, advertising, marketing, designs, plans, or methods of operation. You may disclose this information to the Restaurant's General Manager and other employees but only to the extent necessary to operate the Restaurant, and then only while your Franchise Agreement is in effect.

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

You must participate personally, on a full-time basis, in the day-to-day operation of your Restaurant. We believe that individual franchisees directly impact the success of their Restaurants, and as such, we consider the Franchise Agreement to be a personal services contract. If you are an entity, your majority owner must be involved in the day-to-day operation of the Restaurant.

You may not hire a General Manager until you have operated your Restaurant for at least one year, unless we otherwise approve. After you hire a General Manager you still must be involved in the day-to-day operation of the Restaurant. Your General Manager must meet or requirements including successful completion of our Initial Training Program. If this is the fourth or more Brunch Restaurant owned by you or your affiliates you must retain an operating partner who can assist you in the day-to-day management of the Restaurant. An operating partner must have at least a 20% ownership interest in the Restaurant and must have successfully completed our Initial Training program. No General Manager is required to have any ownership interest in your Restaurant but each General Manager and any operating partner must sign a non-competition and confidentiality agreement that restricts him or her to the same extent as you are restricted under the Franchise Agreement.

If you are a legal or business entity or you transfer your Franchise Agreement to a corporation, limited liability company or partnership, you and any other owners and spouses must sign a personal guaranty of all obligations under the Franchise Agreement. The form of guaranty is attached to the Franchise Agreement. You must complete a Statement of Ownership and Management in the form attached to the Franchise Agreement. This document describes all of your owners and their interests in you.

ITEM 16
RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

You must offer the products and services we specify, and you may not sell other products or services without our prior written approval. This means that we can limit the type of items that you may sell. We can also change the services and products we allow you to offer at any time. As an example, your Restaurant must offer the menu items we specify including the drinks we specify. You must follow our policies, procedures, methods, and techniques and comply with all of our mandatory standards and specifications when selling products or providing services in or through your Restaurants, including complying with any menu mix requirements we may impose.

We do not restrict or limit the customers you may serve and we expect you to market your business throughout a broad trade area. But you may not sell products or services over or through the Internet without our approval. Without our prior approval you may not promote your Restaurant, the System or use our Marks on any social media or networking website or use social media in your Restaurant's operation. We may also impose prohibitions on you and your employees posting or blogging comments about the Restaurant. As discussed earlier, "social media" includes personal blogs, common social networks like Facebook, Instagram and Pinterest; professional networks like LinkedIn; live-blogging

tools like Twitter and Snapchat; virtual worlds, file, audio and video-sharing sites, and other similar social networking or media sites or tools).

We can implement pricing policies, such as minimum or maximum price policies, minimum advertised price policies and unilateral minimum price policies, and you must abide by these policies. You cannot operate other businesses from your Restaurant. You must comply with all customer programs we implement and all policies related to them, as we may periodically modify them.

All products and services may be sold only from your Restaurant. You may not provide off-site sales or off-site catering. You cannot operate from a food truck or other vehicle, nor may you use a third-party delivery service without our prior approval. You may not take cash in payment for any products or services you sell, unless we otherwise approve. You must keep your Restaurant open continuously but only for the hours we specify. For example, you are prohibited from providing meal service outside of breakfast and lunch.

**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 Franchise Disclosure Document.

Provision	Section in Franchise or Other Agreements	Summary
a. Length of the franchise term	Franchise Agreement - Section 2(a)	8 years.
b. Renewal or extension of the term	Franchise Agreement - Section 2(b)	If you are in good standing and you meet our conditions, you can renew your franchise for one additional 8-year period.
c. Requirements for you to renew or extend	Franchise Agreement - Section 2(c)	Give written notice, sign new franchise agreement (which may contain materially different terms and conditions than your original Franchise Agreement, such as a different territory or fees); upgrade your Restaurant and update your equipment to comply with then-current standards; provide us with evidence of property control; sign general release; pay renewal fee.
d. Termination by you	Franchise Agreement - Section 21(f)	You may terminate on 10 days' notice to us, if you are in compliance with the Franchise Agreement and we materially breach the agreement and fail to cure the breach within 30 days after you give us notice of the breach.
e. Termination by us without cause	Franchise Agreement - None	Not Applicable

Provision	Section in Franchise or Other Agreements	Summary
f. Termination by us with cause	Franchise Agreement - Section 21(a)	We may terminate only if you default.
g. "Cause" defined – curable defaults	Franchise Agreement - Section 21(a)	Most defaults are curable and you will have 30 days to cure (10 days for monetary defaults).
h. "Cause" defined – non-curable defaults	Franchise Agreement - Section 21(a)	You are liquidated or dissolved; fail to obtain our approval of a site for your Restaurant within 90 days of the date of your Franchise Agreement, fail to open within 1 year of the date of your Franchise Agreement; abandon the business, lose the right to do business or to occupy the Restaurant space; lose a license required to operate the Restaurant, including loss of your liquor license; unapproved transfers; you or any of your owners engage in fraudulent conduct or are convicted of, or plead guilty or no contest to, certain crimes; you maintain false books or records or submit any false or misleading application, statement or report to us; you misuse the Marks or materially impair the value of, or the goodwill associated with the Marks or the System; any individual required to complete the Initial Training Program fails to successfully complete the Initial Training Program in a timely manner; and other stated non-curable defaults.
i. Your obligations on termination/non-renewal	Franchise Agreement - Section 21(c)	Stop operating the business, stop using our names and the Marks, return information to us, assign to us or cancel certain registrations, listings, telephone numbers, websites and domain names, and pay all amounts you owe us.
j. Assignment of contract by us	Franchise Agreement - Section 18(a)	No restriction on our right to assign.
k. "Transfer" by you – defined	Franchise Agreement - Section 18(b)	Includes transfer of contract or business, or transfer of majority control of the Franchise Agreement or of the business.
l. Our approval of transfer by franchisee	Franchise Agreement - Section 18(c)	We must approve all transfers, but will not withhold our consent if all of the requirements for the transfer are met.

Provision	Section in Franchise or Other Agreements	Summary
m. Conditions for our approval of transfer	Franchise Agreement - Section 18(c)	Transferee must meet our requirements, including successful completion of our Initial Training Program, sign a new franchise agreement on our then current form for the remaining term of your Agreement and have all license required to operate the Restaurant, including a liquor license. (The new agreement may provide for different fees or territory than in your Agreement, but we will not require the transferee to pay us a new initial franchise fee.) You must also pay a transfer fee and sign a release (subject to state law).
n. Our right of first refusal to acquire your business	Franchise Agreement - Section 19(b)	We can match any offer for your business or an interest in the business, including a sale between owners or between an owner and you and also including sale of the Restaurant location alone or together with the Restaurant.
o. Our option to purchase your business	Franchise Agreement - Section 19(a)	We can purchase your Restaurant, its assets, including the real estate if owned by you or your affiliate, or otherwise take over the lease for the space, upon the termination or expiration of your Franchise Agreement.
p. Your death or disability	Franchise Agreement - Section 18(c)	Your heirs can assume your rights, but if they do, they must meet the transfer requirements.
q. Non-competition covenants during the term of the franchise	Franchise Agreement - Section 17(a)	No involvement in a family style restaurant, pancake house, diner or other business that serves traditional breakfast items and that primarily offers breakfast or lunch service, or any other sit-down restaurant or other business that derives more than 25% of its total sales from traditional breakfast items, or that franchises or licenses any of these types of businesses, no diversion of a customer to a competitor, may not interfere with the business activities of us, any of our affiliates or any of our franchisees.

Provision	Section in Franchise or Other Agreements	Summary
r. Non-competition covenants after the franchise is terminated or expires	Franchise Agreement - Section 17(a)	<p>For a period of 2 years, no involvement in a family style restaurant, pancake house, diner or other business that serves traditional breakfast items and that primarily offers breakfast or lunch service, or any other sit-down restaurant or other business that derives more than 25% of its total sales from traditional breakfast items, and in any case is located or doing business in your Designated Territory, including at the Restaurant, a radius of 15 miles from the Designated Territory or a radius of 15 miles from any other Brunch Restaurant. During this period, no involvement in a business that is offering or selling franchises or licenses for this type of a business and that is located in or doing business in the prohibited area above, or that is selling franchises or licenses for locations located in or to be located in the prohibited area above. During this period, you may not solicit or attempt to persuade any customer of your business to do business with a party other than us nor otherwise interfere with the business activities of us, any of our affiliates or any of our franchisees.</p> <p>If there is no Designated Territory identified in the Franchise Agreement, the prohibited area means the “search area”, a radius of 15 miles from the search area, and a radius of 15 miles from any other Brunch restaurant, whether franchised or company-owned. The search area is the area we grant you to search for a Restaurant location (see Item 12).</p>
s. Modification of the agreement	Franchise Agreement - Section 25(i)	No modifications without consent by all parties, but our manuals are subject to change.
t. Integration/merger clause	Franchise Agreement - Section 25(c)	Only the terms of the Franchise Agreement and other written agreements are binding (subject to applicable state law). Any representations or promises outside of this Disclosure Document and the Franchise Agreement may not be enforceable.
u. Dispute resolution by arbitration or mediation	Franchise Agreement - Section 22(b)	Except for certain disputes, all disputes must be mediated, and if not settled by mediation, are then subject to litigation.

Provision	Section in Franchise or Other Agreements	Summary
v. Choice of forum	Franchise Agreement - Section 22(b) and (e)	Mediation to be held in a metropolitan area with a population of at least 250,000 people that is not located within 200 miles of your Restaurant or our principal office. In most cases, litigation must be brought in the Milwaukee County Circuit Court or the United States Federal District Court for the Eastern District of Wisconsin, as applicable.
w. Choice of law	Franchise Agreement - Section 25(a)	Wisconsin law generally applies (subject to state law).

**ITEM 18
PUBLIC FIGURES**

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

**ITEM 19
FINANCIAL PERFORMANCE REPRESENTATIONS**

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

**Statement of Historic Adjusted Gross Profit From
Brunch Restaurants**

The following are statements of actual gross profit for the Brunch restaurants located in Brookfield, Wisconsin and Milwaukee, Wisconsin, reduced by the Royalties and Brand Fund Contributions payable under the Franchise Agreement and by the Local Marketing expenditure required under the Franchise Agreement. Note that we did not increase the actual revenues or gross profit to account for any additional revenues that might be generated by the Local Marketing expenditures.

These restaurants are owned by our affiliate. The restaurants operated for the entire 12 months ended December 31, 2022. We have provided this information based on information provided by these restaurants. We did not have any Brunch restaurants that permanently closed in 2022 after being open for less than 12 months.

The adjusted gross profits shown below are not from the first year of operation for either restaurant. The Brookfield restaurant was opened in March 2018. The Milwaukee restaurant was opened in June 2016.

Each restaurant provides all of the items that a franchised Restaurant will be required to provide and operated and marketed under the Brunch stylized logo and Brunch name.

“Total Sales” mean the total amount of revenues, income, receipts and other fees received from all business activities taking place by or through a restaurant, and all other services and products, if any, sold under the Marks, or otherwise related to the Restaurant, including amounts received for third party delivery sales, catering services or the sale of apparel, but excluding sales tax and employee tips. This is consistent with the definition of Gross Revenue in the Franchise Agreement. Gross Profit was then determined by subtracting food purchases, operating supplies, wages and employment taxes from Total Sales. We then reduced Gross Profit by the amounts we would have paid under the Franchise Agreement for Royalties and Brand Fund Contributions and for the Local Advertising expenditure required under the Franchise Agreement.

Adjusted Gross Profit Information for Year 2022

	Brookfield	Milwaukee
	2022	2022
Sales:		
Restaurant Sales ¹	777,011.29	906,026.75
Delivery Sales ²	53,534.20	125,398.85
Total Sales	830,545.49	1,031,425.60
Cost of Goods Sold:		
Purchases ³	242,242.61	319,753.53
Operating Supplies	5,951.71	9,339.65
Employee Wages ⁴	165,297.25	223,987.46
Unemployment and FICA Tax	19,311.45	27,024.16
Delivery Charges	15,273.55	35,303.93
Total Cost of Goods Sold	448,076.57	615,408.73
Gross Profit	382,468.92	416,016.87
Adjustments		
Royalty ⁵	49,832.73	61,885.54
Brand Fund Contributions ⁶	12,458.18	15,471.38
Local Marketing ⁷	\$10,000.00	\$10,000.00
Adjusted Gross Profit	310,178.01	328,659.95

These figures only represent adjusted gross profit. These adjusted gross profit figures do not reflect all of the expenses that must be deducted from the sales amounts to calculate net income or profit. For example, credit card fees, rent, repair and maintenance and various other expenses you may incur are not included in chart above. You should conduct an independent investigation of the costs and expenses you

¹ Restaurant Sales include all sales taking place through the restaurant, including bar service.

² These amounts are sales made via third-party delivery providers.

³ These are amounts paid by the restaurants for food supplies, food stuffs, other ingredients, alcohol and other beverages.

⁴ As of December 31, 2022 the Brookfield restaurant had 25 employees, of which 10 worked full-time. As of December 31, 2022 the Milwaukee restaurant had 30 employees, of which 15 worked full-time.

⁵ We have applied a 6% Royalty as a Franchisee would be required to pay this amount.

⁶ We have applied a 1.5% Brand Fund Contribution as a Franchisee would be required to pay this amount.

⁷ We have included \$10,000 in local marketing as you must spend under the Franchise Agreement at least \$10,000 annually to market your Restaurant.

will incur in operating your Brunch Restaurant. Franchisees or former franchisees, may be one source of this information. Any amounts that have been rounded, have been rounded to the nearest penny.

These outlets have earned these amounts. Your individual results may differ. There is no assurance you'll earn as much.

These figures were prepared without an audit. Prospective franchisees should be advised that no certified public accountant has audited these figures or expressed his/her opinion with regard to the content or form.

Written substantiation for the financial performance representations made in this Item 19 will be made available to you upon request.

Other than as set forth above, we do not make any representations about a franchisee's future financial performance or the past financial performance of company-owned or franchise restaurants. 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 Restaurant, however, we may provide you with the actual records of that Restaurant. 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 Morgan Schnabl at 714 North Milwaukee Street, Milwaukee, Wisconsin 53202, telephone 414-210-538, the Federal Trade Commission, and the appropriate state regulatory agencies.

**ITEM 20
OUTLETS AND FRANCHISEE INFORMATION**

Table No. 1
Systemwide Outlet Summary
For Years 2020-2022¹

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised	2020	0	0	0
	2021	0	0	0
	2022	0	1	+1
Company-Owned	2020	2	2	0
	2021	2	2	0
	2022	2	2	0
Total Outlets	2020	2	2	0
	2021	2	2	0
	2022	2	3	+1

1. The numbers for each year are as of December 31.
2. These outlets are owned by our affiliate.

Table No. 2

Transfers of Outlets from Franchisees to New Owners (other than the Franchisor)
For Years 2020-2022¹

State	Year	Number of Transfers
All States	2020	0
	2021	0
	2022	0
Totals	2020	0
	2021	0
	2022	0

1. The numbers for each year are as of December 31.

Table No. 3

Status of Franchised Outlets
For Years 2020-2022¹

State	Year	Outlets at Start of the Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations – Other Reasons	Outlets at End of the Year
All States	2020	0	0	0	0	0	0	0
	2021	0	0	0	0	0	0	0
	2022	0	1	0	0	0	0	1
Total	2020	0	0	0	0	0	0	0
	2021	0	0	0	0	0	0	0
	2022	0	1	0	0	0	0	1

1. The numbers for each year are as of December 31.

Table No. 4

Status of Company-Owned Outlets
For Years 2020-2022^{1,2}

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
Wisconsin	2020	2	0	0	0	0	2
	2021	2	0	0	0	0	2
	2022	2	0	0	0	0	2
Total	2020	2	0	0	0	0	2
	2021	2	0	0	0	0	2
	2022	2	0	0	0	0	2

1. The numbers for each year are as of December 31.
2. These outlets are owned by our affiliate.

Table No. 5

Projected Openings as of
December 31, 2022*

State	Franchise Agreements Signed as of December 31, 2022, But Outlet Not Opened	Projected New Franchised Outlets in 2023	Projected New Company-Owned Outlets in 2023
Wisconsin	1	0-1	0
Total	1	0-1	0

* We are looking for prospective franchisees throughout the Midwest, and cannot know in advance where we might find prospects. Therefore, any projection of this nature is very speculative. We will add franchises in the Midwest wherever we find qualified prospects.

Listed on Exhibit D are the Brunch restaurants owned by our affiliate as well as the name, address and telephone numbers of all of our franchisees as of December 31, 2022. We did not have any franchisees who have had a Franchise Agreement terminated, canceled, not renewed, or who otherwise voluntarily or involuntarily, ceased to do business under the Franchise Agreement during the fiscal year ended December 31, 2022, or who had not communicated with us within 10 weeks of the date of this Franchise Disclosure Document.

If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system. We did not have any franchisees who signed confidentiality clauses with us during the last 3 fiscal years that would prevent them from speaking openly about their experiences with us.

We have not created, sponsored, or endorsed any franchise organization and no independent franchisee organization has asked to be included in this Disclosure Document.

**ITEM 21
FINANCIAL STATEMENTS**

Attached to this Franchise Disclosure Document at Exhibit E is a copy of our audited financial statements as of December 31, 2021 and December 31, 2022. We have not been in business for 3 years and therefore cannot provide 3 years of financial statements.

**ITEM 22
CONTRACTS**

Attached to this Disclosure Document as Exhibit A is the state specific addendum to the Disclosure Document. Attached as Exhibit F is a copy of the form Brunch Franchise Agreement, form of a Guaranty to be signed by shareholders of a corporate franchisee, members of a limited liability company franchisee, or partners of a partnership franchisee, and as a condition to transfer of the Franchise Agreement to a corporation, limited liability company or partnership and a Statement of Ownership and Management. Also attached is a form of a transfer form if you want to sell, assign or transfer your Franchise Agreement to a corporation, limited liability company, or partnership you own and an example of a release you must sign if you want to sell, assign or transfer your Franchise Agreement to an unrelated third party or to an entity or partnership you do not own or control. Also Attached is the Lease Rider you must have signed when you obtain property control of your Restaurant site. Attached as Exhibit H is a Franchisee Questionnaire you must complete at the time you purchase a franchise.

**ITEM 23
RECEIPTS**

The last 2 pages of this Disclosure Document are detachable documents acknowledging receipt of this Disclosure Document. Please sign both receipt pages and return one to us.

EXHIBIT A

STATE SPECIFIC ADDENDA TO DISCLOSURE DOCUMENT

STATE SPECIFIC ADDENDUM
AS
REQUIRED BY
THE WISCONSIN FAIR DEALERSHIP LAW

Notwithstanding anything to the contrary set forth in the Brunch Disclosure Document, the following provisions shall supersede any inconsistent provisions and apply to all Brunch franchises offered and sold in the state of Wisconsin.

This Wisconsin Addendum is only applicable if you are a resident of Wisconsin or if your business will be located in Wisconsin.

“The Wisconsin Fair Dealership Law applies to most franchise agreements in the state and prohibits termination, cancellation, non-renewal or substantial change in competitive circumstances of a dealership agreement without good cause. The law further provides that 90 days prior written notice of the proposed termination, etc. must be given to the dealer. The dealer has 60 days to cure the deficiency and if the deficiency is so cured the notice is void. The Disclosure Document and Franchise Agreement are hereby modified to state that the Wisconsin Fair Dealership Law, to the extent applicable, supersedes any provision of the Franchise Agreement that is inconsistent with Wis.Stat.Ch.135, the Wisconsin Fair Dealership Law, § 32.06(3), Wis. Code.”

Each provision of this addendum to the Disclosure Document shall be effective only to the extent that with respect to such provision, the jurisdictional requirements of the Wisconsin Fair Dealership Law are met independently without reference to this addendum.

EXHIBIT B

LIST OF STATE AGENCIES AND AGENTS FOR SERVICE OF PROCESS

EXHIBIT B**LIST OF STATE ADMINISTRATORS AND
AGENTS FOR SERVICE OF PROCESS**

STATE	STATE ADMINISTRATOR	AGENT FOR SERVICE OF PROCESS
CALIFORNIA	Department of Financial Protection and Innovation One Sansome Street, Suite 600 San Francisco, CA 94104 415-972-8559 1-866-275-2677	Commissioner of Financial Protection and Innovation 320 West 4th Street, Suite 750 Los Angeles 90013-2344 1-866-275-2677
CONNECTICUT	Securities and Business Investment Division Connecticut Department of Banking 260 Constitution Plaza Hartford, CT 06103 860-240-8230	Connecticut Banking Commissioner Same Address
FLORIDA	Department of Agriculture & Consumer Services Division of Consumer Services Mayo Building, Second Floor Tallahassee, FL 32399-0800 850-245-6000	Same
GEORGIA	Office of Consumer Affairs 2 Martin Luther King Drive, S.E. Plaza Level, East Tower Atlanta, GA 30334 404-656-3790	Same
HAWAII	Commissioner of Securities Department of Commerce and Consumer Affairs Business Registration Division Securities Compliance Branch 335 Merchant Street, Room 203 Honolulu, HI 96813 (808) 586-2722	Same
ILLINOIS	Franchise Division Office of the Attorney General 500 South Second Street Springfield, IL 62706 217-782-4465	Illinois Attorney General Same Address
INDIANA	Securities Commissioner Indiana Securities Division 302 West Washington Street, Room E 111 Indianapolis, IN 46204 317-232-6681	Indiana Secretary of State 201 State House 200 West Washington Street Indianapolis, IN 46204
IOWA	Iowa Securities Bureau Second Floor Lucas State Office Building Des Moines, IA 50319 515-281-4441	Same

STATE	STATE ADMINISTRATOR	AGENT FOR SERVICE OF PROCESS
KENTUCKY	Kentucky Attorney General's Office Consumer Protection Division 1024 Capitol Center Drive Frankfort, KY 40602 502-696-5389	Same
LOUISIANA	Department of Urban & Community Affairs Consumer Protection Office 301 Main Street, 6th Floor One America Place Baton Rouge, LA 70801 504-342-7013 (gen. info.) 504-342-7900	Same
MAINE	Department of Business Regulations State House - Station 35 Augusta, ME 04333 207-298-3671	Same
MARYLAND	Office of the Attorney General Securities Division 200 St. Paul Place Baltimore, MD 21202 410-576-6360	Maryland Securities Commissioner Same Address
MICHIGAN	Michigan Department of Attorney General Consumer Protection Division Antitrust and Franchise Unit G. Mennen Williams Building, 1 st Floor 525 W. Ottawa Street Lansing, MI 48909 517-373-7117	Michigan Department of Commerce Corporations and Securities Bureau Same Address
MINNESOTA	Minnesota Department of Commerce 85 7 th Place East, Suite 280 St. Paul, MN 55101 651-539-1500	Minnesota Commissioner of Commerce Same Address
NEBRASKA	Department of Banking and Finance 1526 K Street, Suite 300 Lincoln, NE 68508 P.O. Box 95006 Lincoln, Nebraska 68509-5006 Tele: 402-471-2171	Same
NEW HAMPSHIRE	Attorney General Consumer Protection and Antitrust Bureau State House Annex Concord, NH 03301 603-271-3641	Same
NEW YORK	Investor Protection Bureau Office of the New York State Attorney General 28 Liberty Street New York, New York 10005 212-416-8222	Secretary of State of New York 99 Washington Avenue, 6th Floor Albany, New York 12231
NORTH CAROLINA	Secretary of State's Office/Securities Division 2 South Salisbury Street Raleigh, NC 27601 919-733-3924	Secretary of State Secretary of State's Office Same Address

STATE	STATE ADMINISTRATOR	AGENT FOR SERVICE OF PROCESS
NORTH DAKOTA	North Dakota Securities Department 600 East Boulevard Avenue State Capitol, Fourteenth Floor, Dept. 414 Bismarck, ND 58505-0510 701-328-4712	Securities Commissioner Same Address
OHIO	Attorney General Consumer Fraud & Crime Section State Office Tower 30 East Broad Street, 15th Floor Columbus, OH 43215 614-466-8831 or 800-282-0515	Same
OKLAHOMA	Oklahoma Securities Commission 2915 Lincoln Blvd. Oklahoma City, OK 73105 405-521-2451	Same
OREGON	Department of Insurance and Finance Corporate Securities Section Labor and Industries Building Salem, OR 96310 503-378-4387	Director Department of Insurance and Finance Same Address
RHODE ISLAND	Rhode Island Department of Business Regulation Securities Division John O. Pastore Center – Building 69-1 1511 Pontiac Avenue Cranston, RI 02920 401-222-3048	Director, Rhode Island Department of Business Regulation Same address
SOUTH CAROLINA	Secretary of State P.O. Box 11350 Columbia, SC 29211 803-734-2166	Same
SOUTH DAKOTA	Department of Insurance Securities Regulations 124 S. Euclid, Suite 104 Pierre, SD 57501 605-773-3563	Director of South Dakota Division of Insurance Securities Regulation Same Address
TEXAS	Secretary of State Statutory Documents Section P.O. Box 12887 Austin, TX 78711-2887 512-475-1769	Same
UTAH	Utah Department of Commerce Consumer Protection Division 160 East 300 South (P.O. Box 45804) Salt Lake City, UT 84145-0804 TELE: 801-530-6601 FAX: 801-530-6001	Same

STATE	STATE ADMINISTRATOR	AGENT FOR SERVICE OF PROCESS
VIRGINIA	State Corporation Commission Division of Securities and Retail Franchising Tyler Building, 9 th Floor 1300 E. Main Street Richmond, VA 23219 804-371-9051	Clerk of the State Corporation Commission 1300 East Main Street, 1st Floor Richmond, Virginia 23219
WASHINGTON	Department of Financial Institutions Securities Division 150 Israel Rd S.W. Tumwater, WA 98501 360-902-8762	Director, Dept. of Financial Institutions Securities Division 150 Israel Rd S.W. Tumwater, WA 98501
WISCONSIN	Wisconsin Dept. of Financial Institutions Division of Securities 4822 Madison Yards Way, North Tower Madison, WI 53705 608-266-8557	Wisconsin Commissioner of Securities Same Address

EXHIBIT C

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**LIST OF OUTLETS
as of December 31, 2022**

Restaurants owned by our Affiliate

Name	Address/Telephone Number	City	State	Zip Code
Brunch WI, LLC	18895 West Capital Drive 262-202-8678	Brookfield	WI	53054
Brunch WI, LLC	714 North Milwaukee Street 414-210-5381	Milwaukee	WI	53202

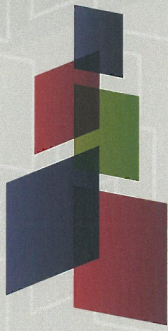
Franchised Restaurants

Name	Address/Telephone Number	City	State	Zip Code
The Wendtland Group LLC ¹	W62N535 Washington Avenue 262-622-3697	Cedarburg	WI	53012

1. Franchise Agreement signed as of December 31, 2022 but Restaurant not open as of such date.

EXHIBIT E

FINANCIAL STATEMENTS



**Thoresen
Diaby
Helle
Condon
& Dodge, Inc.**
CPAs & Advisors

**Brunch It Up LLC
Financial Statements
Year Ended December 31, 2022
and the Period from September 2, 2021
to December 31, 2021**

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STEPHEN D. HELLE, CPA
MICHAEL J. CONDON, CPA
RACHEL A. PETERS, CPA, CFE
JOSEPH T. BERNDT, CPA

INDEPENDENT AUDITOR'S REPORT

To the Member and Board of Directors
of Brunch It Up, LLC
Brookfield, Wisconsin

Opinion

We have audited the accompanying financial statements of Brunch It Up, LLC (a Wisconsin Limited Liability Company), which comprise the balance sheets as of December 31, 2022 and 2021 and the related statements of income (loss), member's equity (deficit), and cash flows for the year then ended, and for the period from inception September 2, 2021 to December 31, 2021 and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Brunch It Up, LLC as of December 31, 2022 and for the period from inception September 2, 2021 to December 31, 2021, and the results of its operations and its cash flows for the years then ended 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. 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 Brunch It Up, 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 Brunch It Up, 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 generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, 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 Brunch It Up, 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 Brunch It Up 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.

Thorsten Driaby Helle London & Dodge, LLC.

Minneapolis, MN
April 5, 2023

FINANCIAL STATEMENTS

Brunch It Up LLC
Balance Sheets

		December 31	
		2022	2021
Assets			
Current assets			
Cash		\$ 1,606	\$ 5,682
Total current assets		1,606	5,682
Total assets		\$ 1,606	\$ 5,682
Liabilities and Member's Equity (Deficit)			
Current liabilities			
Accounts payable		\$ 14,146	\$ -
Due to related parties		41,251	-
Total current liabilities		55,397	-
Total liabilities		55,397	-
Member's equity (deficit)		(53,791)	5,682
Total liabilities and member's equity (deficit)		\$ 1,606	\$ 5,682

Brunch It Up LLC
Statements of Income (Loss) and Member's Equity (Deficit)

	<u>Year Ended December 31 2022</u>	<u>Period from September 2, 2021 to December 31, 2022</u>
Revenues	\$ -	\$ -
Cost of goods sold	-	-
Gross profit	-	-
Operating expenses		
Office expense	2,340	1,008
Professional fees	52,855	20,131
Marketing expense	4,278	3,335
Total operating expenses	<u>59,473</u>	<u>24,474</u>
Net loss	(59,473)	(24,474)
Member's equity (deficit)		
Beginning of year	5,682	-
Member contributions	-	30,156
End of year	<u>\$ (53,791)</u>	<u>\$ 5,682</u>

Brunch It Up LLC
Statements of Cash Flows

	Year Ended December 31 2022	Period from September 2, 2021 to December 31, 2021
Cash flows from operating activities		
Net loss	\$ (59,473)	\$ (24,474)
Adjustments to reconcile net loss to cash used by operating activities		
Changes in operating assets and liabilities		
Increase (decrease)		
Accounts payable	14,146	-
Net cash used by operating activities	(45,327)	(24,474)
Cash flows from financing activities		
Advances from related parties	41,251	-
Member contributions	-	30,156
Net cash provided by financing activities	41,251	30,156
Net increase (decrease) in cash	(4,076)	5,682
Cash		
Beginning of period	5,682	-
End of period	\$ 1,606	\$ 5,682

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES

Business description

Brunch It Up LLC (the Company), located in Brookfield, Wisconsin, is a Wisconsin limited liability company formed on September 2, 2021. The Company offers franchises for the operation of restaurants. The Company's activities are subject to significant risks and uncertainties, including failing to secure and open a franchisee.

Basis of presentation

The accompanying financial statements are presented in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP) as codified by the Financial Accounting Standards Board.

Franchising

The Company executes franchise agreements that set the terms of its arrangement with each franchisee. The agreements cover an eight-year period. The franchise agreements require the franchisee to pay an initial fee of \$50,000. The initial franchise fee is due upon signature of the franchise agreement. Each franchisee is required to pay a monthly royalty fee of 6% of monthly gross revenue. Each franchisee is also required to pay a monthly brand fund contribution of 1.5% of monthly gross revenue. The brand fund proceeds are used to develop programs that benefit the franchisor's brand and promotes the trademarks. Subject to various conditional compliance requirements and payment of a renewal fee totaling \$7,500, a franchisee may generally renew its agreement upon its expiration for an additional eight-year period. Direct costs of sales and servicing of franchise agreements are charged to operating expenses as incurred.

Revenue recognition

The Company accounts for revenue in accordance with FASB ASU No. 2019-09, Revenue from contracts with Customers (Topic 606), implemented from inception.

Performance obligations

A performance obligation is a promise in a contract to transfer a distinct good or service to the client and is the unit of accounting in Topic 606. A contract's transaction price is allocated to each distinct performance obligation and recognized as revenue when, or as, the performance obligation is satisfied. For contracts with multiple performance obligations, the Company allocates the contract's transaction price to each performance obligation based on the relative standalone selling price. The primary method used to estimate standalone selling price is the expected cost plus a margin approach, under which the Company forecasts their expected costs of satisfying a performance obligation and then add an appropriate margin for that distinct good or service based on margins for similar services sold on a standalone basis. While determining relative standalone selling price and identifying separate performance obligations require judgment, generally relative standalone selling prices and the separate performance obligations are readily identifiable as the Company sells those performance obligations unaccompanied by other performance obligations.

Brunch It Up LLC
Notes to Financial Statements (continued)
December 31, 2022 and 2021

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenue recognition (continued)

Franchise revenue

Franchise revenues consist of the initial franchise fee and renewal fees. The Company has identified the following performance obligations in connection with the initial franchise fee:

1. Intellectual property license
2. Site selection and pre-opening services
3. Provide five days of training prior to opening and post opening
4. Provide access to the formal initial training program

Each of the identified performance obligations is considered to be a series of distinct services transferred over time. While the underlying activities may vary from day to day, the nature of the commitments are the same each day, and the franchisee can independently benefit from each day's services.

Under ASC 606, the intellectual property license portion of the initial and renewal fees, are recognized as revenue on a straight-line basis over the term of the respective franchise agreement. All initial franchise fees and renewal fees are due on the date of signing the agreement.

Revenue from royalties is recognized in the period in which the franchisee earns the revenue upon which this fee is based. Royalties are computed as a percentage of gross revenues earned by the franchisee.

Revenue from brand fund fees are deferred and classified as a liability until used for qualifying purposes. Brand fund fees are computed as a percentage of gross revenues earned by the franchisee.

Use of estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates, particularly given the significant social and economic disruptions and uncertainties associated with the ongoing COVID-19 pandemic and the COVID-19 control responses, and such differences may be material.

Cash and cash equivalents

For purposes of the statement of cash flows, the Company considers all highly liquid debt instruments purchased with an original maturity of three months or less to be cash equivalents. The Company did not hold any cash equivalents at December 31, 2022 and 2021. At times throughout the period, the Company's cash balances may exceed Federal Deposit Insurance Corporation (FDIC) limits. At December 31, 2022 and 2021 the Company did not have cash in bank accounts that were in excess of federally insured limits per bank records.

Advertising costs

Advertising and marketing costs are generally charged to operations in the year incurred and amounted to \$4,278 and \$3,335 for the year ended December 31, 2022 and the period ended December 31, 2021.

Brunch It Up LLC
Notes to Financial Statements (continued)
December 31, 2022 and 2021

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES (continued)

Income taxes

The Company, with the consent of its stockholders, has elected under the Internal Revenue Code to be a limited liability company. In lieu of corporation income taxes, the member is taxed on the Company's taxable income or losses. Therefore, these statements do not include any provision for corporation income taxes, refunds, or deferred income taxes. For state tax purposes the member is taxed on the proportionate share of the Company's taxable income.

Uncertain tax positions

Management has determined that the Company does not have any uncertain tax positions and associated unrecognized benefits that materially impact the financial statements or related disclosures. Since tax matters are subject to some degree of uncertainty, there can be no assurance that the Company's tax filings will not be challenged by the taxing authorities and that the Company or its member will not be subject to additional tax, penalties, and interest as a result of such challenge. Generally, the Company's tax filings remain open for three years. The Company has adopted the policy of expensing any interest or penalties related to uncertain tax positions in other expense on the statements of income (loss). For the year then ended and for the period from inception September 2, 2021 to December 31, 2021, there were no such interest or penalty expenses.

Financial instruments

The Company's financial instruments consist of accounts payable and advances from related party. Its management's opinion that the Company is not exposed to significant interest rate or credit risks arising from this instrument. Unless otherwise noted, the fair value of this financial instrument approximates the carrying value.

Leases

In February 2016, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2016-02, Leases, which together with subsequent amendments is included in ASC 842. ASC 842 requires a lessee to recognize a liability to make lease payments and an asset with respect to its right to use the underlying asset for the lease term.

In July 2018, the FASB issued ASU No. 2018-11, which amends the guidance to add a method of adoption whereby the issuer may elect to recognize a cumulative effect adjustment at the beginning of the period of adoption. ASU No. 2018-11 does not require comparative period financial information to be adjusted. Leases will be classified as either finance or operating, with classification affecting the pattern of expense recognition in the statements of income (loss) and members equity (deficit). ASU 2016-02 defines a lease as a contract, or part of a contract, that conveys the right to control the use of identified property, plant or equipment for a period of time in exchange for consideration.

To determine whether a contract conveys the right to control the use of the identified asset for a period of time, the customer has to have both (1) the right to obtain substantially all of the economic benefits from the use of the identified asset and (2) the right to direct the use of the identified asset, a contract does not contain an identified asset if the supplier has a substantive right to substitute such asset ("the leasing criteria").

Brunch It Up LLC
Notes to Financial Statements (continued)
December 31, 2022 and 2021

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES (continued)

Leases (continued)

Management determines if an arrangement is a lease at inception. Operating leases are included in Right-of-Use (ROU) assets, and lease liability obligations are included in the balance sheets, except for those that qualify for the short-term scope exception of 12 months or less. ROU assets represent the right to use an underlying asset for the lease term and lease liability obligations represent the obligation to make lease payments arising from the lease. ROU assets and liabilities are recognized at commencement date based on the present value of lease payments over the lease term.

As of December 31, 2022, and the period ended December 31, 2021, the Company was not party to any lease agreements in which it was the lessor or the lessee.

Subsequent events

The Company has evaluated subsequent events through April 5, 2023, the date which the financial statements were available to be issued.

NOTE 2 – FRANCHISING

Franchise revenue consisted of the following:

	Year Ended December 31, 2022	Period from September 2, 2021 to December 31, 2021
Revenue, initial fees	\$ -	\$ -
Total franchise revenues	\$ -	\$ -

Information about the number of franchised offices is as follows:

	Year Ended December 31	Period from September 2, 2021 to December 31, 2021
Franchised locations:		
Opened/acquired	0	0
Closed	(0)	(0)
In operation as of December 31	0	0

NOTE 3 – RELATED PARTY TRANSACTIONS

Intellectual property

An affiliate of the company that is owned by the sole member of the Company holds the rights to the intellectual property used in franchising operations. The Company is not restricted in any way in which they can use the property, and the term is indefinite. The Company does not pay any licensing fees for the use of this intellectual property.

Brunch It Up LLC
Notes to Financial Statements (continued)
December 31, 2022 and 2021

NOTE 3 – RELATED PARTY TRANSACTIONS (continued)

Advances

During the year, two of the Corporate-owned locations owned by the sole member advanced the Company funds for temporary working capital needs. The advances are noninterest bearing and due on demand they totaled \$41,251 and \$0, as of December 31, 2022 and 2021, respectively.

NOTE 4 – COVID-19 PANDEMIC

On March 11, 2020, the World Health Organization ("WHO") recognized COVID-19 as a global pandemic, prompting many national, regional, and local governments to implement preventative or protective measures, such as travel and business restrictions, temporary store closures, and wide-sweeping quarantines and stay-at-home orders. As a result, COVID-19 and the related restrictive measures have had a significant adverse impact upon many sectors of the economy, including the industries in which the Company operates. The final determination of the extent of the impact of COVID-19 on the business and financial results will depend on future developments, including the duration and spread of the outbreak within the markets in which the Company operates and the related impact on consumer confidence and spending, all of which are highly uncertain.

EXHIBIT F

**FRANCHISE AGREEMENT, GUARANTY,
STATEMENT OF OWNERSHIP AND
MANAGEMENT, GENERAL RELEASE,
TRANSFER FORM AND LEASE RIDER**

BRUNCH FRANCHISE AGREEMENT

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BRUNCH FRANCHISE AGREEMENT

THIS AGREEMENT is made the ____ day of _____, 20__, by and between BRUNCH IT UP LLC, a Wisconsin limited liability company (“Franchisor”), and _____ (“Franchisee”).

INTRODUCTION

Franchisor and its predecessor have developed certain policies, procedures and techniques for the operation of modern restaurants under the Brunch stylized logo that serve classic and inventive breakfast and lunch fare amid vibrant décor, which include a patio for outdoor service, a bar for alcohol sales and that offer pick-up catering and delivery. Franchisor desires to grant to qualified persons franchises to use the concepts, programs and methods of promotion developed by Franchisor and its predecessor to develop and operate a Restaurant (as defined below). Franchisee has made application to Franchisor for a franchise and the application has been approved by Franchisor in reliance on all the representations made in the application.

NOW, THEREFORE, in consideration of the mutual promise of the parties hereto, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1.) DEFINITIONS

The terms and phrases specified below shall have, for purposes of this Agreement, the following meanings:

- (a) “Competitive Business” shall mean any family style restaurant, pancake house, diner or other business that serves traditional breakfast items and that primarily offers breakfast or lunch service, or any other sit-down restaurant or other business that derives more than twenty five percent (25%) of its total sales from traditional breakfast items.
- (b) “Designated Territory” shall mean the area described as such and identified in the Rider to this Agreement.
- (c) “Franchise” shall mean the right granted to Franchisee by Franchisor to use the System of Operation and to use the Names and Marks selected, used, and promoted by Franchisor to develop and operate a sit-down restaurant under the Names and Marks in accordance with the System of Operation.
- (d) “Franchised Business” shall mean the business franchised under this Agreement to operate utilizing the System of Operation and the Names and Marks.

(e) Franchised Restaurant” shall mean the restaurant franchised under this Agreement to operate utilizing the System of Operation and the Names and Marks.

(f) “Gross Revenues” shall mean the total amount of revenues, income, receipts and other fees related to the sale of products or services (including without limitation amounts for direct delivery, catering services, the sale of apparel and other items bearing the Names and Marks, and sales to consumers through third party online ordering or delivery service providers) through the operation of the Franchised Restaurant and any other amounts from all business activities taking place by, at or through the Franchised Business, or otherwise related to the Franchised Business. There shall be excluded from “Gross Revenues” tips paid by customers to employees of the Franchised Restaurant and amounts collected and remitted by Franchisee to any governmental taxing authority in satisfaction of sales or occupation taxes, but no other amounts incurred by Franchisee, and in no event shall charges by third-party online ordering or delivery service providers, credit card fees or any other expenses decrease Gross Revenues.

(g) The term “including” shall mean “including, but not limited to.”

(h) “Names and Marks” shall mean the commercial trade names, trademarks, service marks, domain names, and other commercial symbols, including associated logos, now or hereafter selected, used or promoted by Franchisor and licensed to Franchisee for use in connection with the System of Operation.

(i) “Restricted Area” shall mean the Designated Territory, which for the avoidance of doubt shall include the premises of the Franchised Restaurant, a radius of fifteen (15) miles from the Designated Territory, and a radius of fifteen (15) miles from any other Brunch restaurant in existence as of the date of termination or assignment of this Agreement. If there is no Designated Territory at the time of termination or assignment of this Agreement, the Restricted Area shall mean the Search Area, a radius of fifteen (15) miles from the Search Area, and a radius of fifteen (15) miles from any Brunch restaurant in existence as of the date of termination or assignment of this Agreement.

(j) “System of Operation” shall mean the business plans and methods developed by Franchisor and its predecessor to be used in connection with a restaurant operated under the Names and Marks with limited operating hours that serves only breakfast and lunch and which includes a patio for outdoor service, a bar for alcohol sales and that offers pick-up catering and delivery. The “System of Operation” includes standards, specifications, methods, procedures, techniques, and management systems, all of which may be changed, improved and further developed from time to time by Franchisor, and which include the Franchisor’s proprietary recipes and menu items, but specifically excludes any employee policies or procedures that Franchisor may make available to Franchisee for its optional use during the Term of the Franchise.

(k) “Term of the Franchise” shall mean the initial term of the Franchise.

2.) GRANT OF FRANCHISE AND RENEWAL OF FRANCHISE

(a) Initial Term - Subject to the provisions of this Agreement, Franchisor grants to Franchisee a Franchise for an initial term of eight (8) years, commencing on the date of this Agreement, to utilize the System of Operation and to use the Names and Marks of Franchisor in the conduct of a restaurant that is open for limited operating hours as specified by Franchisor, serving only breakfast and lunch and which includes a patio for outdoor service, a bar for alcohol sales and that offers pick-up catering and delivery, all pursuant to and in accordance with Franchisor’s System of Operation.

(b) Renewal - Franchisee may renew the Franchise for one additional term of eight (8) years, subject to the satisfaction of any conditions imposed by Franchisor upon renewal, including those set forth in Section 2(c) below.

(c) Conditions - Franchisee must satisfy such conditions for renewal as Franchisor may impose, including that upon expiration of the Term of the Franchise, Franchisee shall have: (a) complied with all provisions of this Agreement; (b) operated the Franchised Business utilizing and conforming to the System of Operation; (c) utilized exclusively the Names and Marks in the operation of the Franchised Business; (d) upgraded the Franchised Restaurant, including equipment, to meet Franchisor’s standards; and (e) provided Franchisor with evidence of control of the premises for the Franchised Restaurant for the renewal term. Additionally, Franchisee shall:

- (i) Provide Franchisor at least two hundred ten (210) days prior written notice of its election to renew the Franchise; and
- (ii) Within thirty (30) days after delivery to Franchisee of all agreements and documents required by Franchisor for renewal: (a) execute Franchisor’s then current form of franchise agreement offered to prospective new franchisees and all other agreements and legal instruments and documents then customarily employed by Franchisor in the grant of Franchises to prospective new franchisees, including a general release; and (b) paid to Franchisor a renewal fee of Seven Thousand Five Hundred Dollars (\$7,500).

(d) Renewal Acknowledgments - Franchisee acknowledges that the right of renewal set forth herein does not give Franchisee the right to renew any specific provisions of this Agreement, and Franchisee recognizes that the terms of franchise agreements utilized by Franchisor upon renewal are likely to be substantially different than the terms offered by Franchisor as of the date hereof. Franchisee further acknowledges that the failure to meet any conditions of renewal imposed by Franchisor, including those set forth herein, shall be deemed an election by Franchisee not to renew the Franchise.

(e) Holdover - If Franchisee does not sign a new franchise agreement prior to expiration of the Term of the Franchise, and Franchisee continues to accept the benefits of this Agreement after the expiration of this Agreement, then at the option of Franchisor this Agreement shall be deemed to: (i) have expired as of the date of its stated expiration, with Franchisee then operating without a franchise to do so and in violation of Franchisor's rights; or (ii) be continuing on a month-to-month basis (the "Interim Period") until one party provides the other with written notice of such party's intention to terminate the Interim Period, in which case the Interim Period will terminate thirty (30) days after receipt of the notice to terminate the Interim Period. Notwithstanding anything set forth herein to the contrary: (x) all obligations of Franchisee shall remain in full force and effect during the Interim Period as if the Term of the Franchise had not expired; and (y) all obligations and restrictions imposed on Franchisee upon expiration of this Agreement shall be deemed to take effect upon termination of the Interim Period.

3.) SEARCH AREA; LOCATION; CONSTRUCTION

(a) Search Area - Franchisee will have the right to operate the Franchised Restaurant at one (1) location only. The Franchised Restaurant will be located at a site selected by Franchisee and approved by Franchisor. If the site has not been approved as of the date Franchisor executes this Agreement, the Franchised Restaurant must be located in the non-exclusive "Search Area" set forth in the Rider to this Agreement. Franchisee acknowledges that Franchisor may grant others the right to seek sites within the foregoing area, and that Franchisee acquires no exclusive or priority rights in such area. If Franchisor has not approved a site for the Franchised Restaurant at the time this Agreement is executed, Franchisor may terminate this Agreement if Franchisee fails to obtain Franchisor's approval of a site within ninety (90) days of the date of this Agreement.

(b) Demographic Study - If the site for the Franchised Restaurant has not been approved as of the date Franchisor executes this Agreement, Franchisor, or its designee, shall provide Franchisee with a demographic study of the search area set forth in the Rider to this Agreement within thirty (30) days after the execution of this Agreement by Franchisor. Such study shall be on the terms and cover the subject matter as determined by Franchisor in its sole discretion. Franchisee acknowledges that it is free to supplement this study or have its own demographics study performed in addition to the study provided by Franchisor.

(c) Site Selection - It shall be the responsibility of Franchisee to identify, and ultimately acquire, an appropriate site, acceptable to Franchisor, for the operation of the Franchised Restaurant. As Franchisee identifies prospective sites, it shall notify Franchisor, and Franchisor will review criteria regarding such prospective sites as Franchisor deems appropriate. Franchisee will assist Franchisor by providing Franchisor any information Franchisor may request regarding any prospective sites.

- (i) Franchisor may recommend potential sites to Franchisee, but the responsibility to ultimately select a site for the Franchised Restaurant belongs to Franchisee, and Franchisee, in consideration for any assistance Franchisor provides with respect to the identification or approval of potential sites, acknowledges and agrees Franchisor shall not be responsible for Franchisee's results in operating at any particular site that may have been recommended, reviewed, or approved by Franchisor.
 - (ii) Franchisor shall provide Franchisee with the site selection criteria it uses when evaluating sites.
 - (iii) Once Franchisee has identified its final two (2) locations in the search area for its Franchised Restaurant, Franchisee shall provide Franchisor with written notice of such locations and Franchisor shall, within thirty (30) days after Franchisee has provided Franchisor with all information requested by Franchisor regarding such locations, visit each location to provide Franchisee with feedback on each such location.
 - (iv) Following Franchisor's approval of the site, Franchisee authorizes Franchisor to amend the Rider to this Agreement, to indicate the address of the approved location for the Franchised Restaurant, and the Designated Territory.
- (d) Governmental Approvals - Franchisee shall obtain all required municipal and other governmental approvals and permits necessary to construct the Franchised Restaurant in accordance with applicable law.
- (e) Location - Franchisee shall operate the Franchised Business only from the Franchised Restaurant. The Franchised Restaurant must meet Franchisor's requirements, including those related to location, size of the facility, and available parking. If Franchisee desires to operate the Franchised Business from a location other than that indicated in the Rider, and Franchisor approves the new location, Franchisee authorizes Franchisor to amend the Rider to change the location to the address of the new site approved by Franchisor. Franchisee shall not use the Franchised Restaurant to operate any business other than the Franchised Business. Franchisee may not operate the Franchised Business from more than one location.
- (f) Design of the Franchised Restaurant - Franchisor shall provide to Franchisee a sample layout for the interior of a typical Brunch restaurant, including a set of typical preliminary plans and décor specifications. Franchisee shall, at its own expense, employ architects, engineers, or others as may be necessary to complete, adapt, and modify the sample plans and specifications for the Franchised Restaurant to fit the location. Franchisee shall submit to Franchisor a complete set of final plans and specifications prior to commencing construction of the Franchised Restaurant. Franchisor shall review such plans and specifications and approve or provide comments to Franchisee on the plans

and specifications. Franchisee shall not commence construction of the Franchised Restaurant until Franchisor approves in writing the final plans and specifications to be used in constructing the Franchised Restaurant. Franchisor shall consult with Franchisee, to the extent that Franchisor deems necessary, on the construction and equipping of the Franchised Restaurant, but it shall be and remain the sole responsibility of Franchisee to diligently design, construct, equip, and otherwise ready and open the Franchised Restaurant on a timely basis.

(g) Construction Obligations of Franchisee; Opening - Franchisee shall use a licensed general contractor satisfactory to Franchisor to perform construction work at the Franchised Restaurant. Franchisor shall not be responsible for delays in the construction, equipping, or decoration of the Franchised Restaurant or for any loss resulting from the restaurant design or construction since Franchisor has no control over the landlord or developer and the numerous construction and/or related problems which could occur and delay the opening of the Franchised Restaurant. Franchisor must approve in writing any and all changes in any restaurant plans prior to construction of the Franchised Restaurant or the implementation of such changes. Franchisor shall have access to the location of the Franchised Restaurant while work is in progress and may require such reasonable alterations or modifications of the construction of the Franchised Restaurant as Franchisor deems necessary. Franchisee shall not open the Franchised Restaurant if the Franchised Restaurant does not conform to the plans and specifications approved by Franchisor, including changes thereof approved by Franchisor. Franchisee shall correct any unauthorized variance from the approved plans and specifications promptly and open the Franchised Restaurant to the general public within one (1) year after the date of this Agreement.

(h) Fixtures, Leasehold Improvements and Equipment - Franchisor will provide to Franchisee specifications for leasehold improvements, fixtures and equipment for the Franchised Restaurant. All leasehold improvements used in the Franchised Restaurant shall be constructed according to the exact specifications of Franchisor in effect at the time the improvements are made. All equipment installed in the Franchised Restaurant must also meet the exact specifications of Franchisor, including brand and model number, where designated. Franchisor may designate specific or approved suppliers from whom such items can be purchased. If Franchisor designates a specific supplier for any items, Franchisee must purchase the items from the specific, designated supplier. Franchisee acknowledges that designated, specific suppliers may include Franchisor or its affiliates.

(i) Exterior and Interior Signs - All signs used in the Franchised Restaurant or its advertisement must conform to Franchisor's sign criteria at the time the signage is installed as to type, color, size, design, and location. All signs must be approved in writing by Franchisor prior to installation.

(j) Indemnification of Franchisor - Franchisee is strictly responsible for the acts or omissions of its contractors regarding compliance with all specifications and requirements provided by Franchisor, and Franchisor shall have no responsibility for such acts or omissions. Franchisor shall not be liable for any loss or damage arising from the design or plan of the Franchised Restaurant. Franchisee shall indemnify Franchisor for any loss, cost, or expense, including attorneys' fees, that may be sustained by Franchisor because of the acts or omissions of Franchisee's contractors or arising out of the design or construction of the Franchised Restaurant.

(k) Alterations - During the Term of the Franchise, the floor plan, interior and exterior design, furnishings and equipment of the Franchised Restaurant shall not be materially altered or modified, without the prior written approval of Franchisor.

(l) Remodeling - Franchisee shall be required to periodically make reasonable capital expenditures to remodel, modernize and re-decorate the Franchised Restaurant so that the premises reflect the current image intended to be portrayed by Brunch restaurants. All remodeling, modernization and redecoration of the Franchised Restaurant must be done in accordance with the standards and specifications prescribed by Franchisor from time to time and with the prior written approval of Franchisor. All replacements must conform to Franchisor's then current quality standards and specifications and must be approved by Franchisor in writing. Franchisor may inspect, but shall not be obligated to inspect, such work at any time to determine that the work is done in accordance with Franchisor's approved plans and specifications. In addition to the remodel which may be required at the time of renewal, Franchisor may require Franchisee to remodel, modernize and re-decorate the Franchised Restaurant at any time during the Term of the Franchise and to update any equipment including any kitchen equipment and customer ordering equipment.

(m) Relocation of the Franchised Restaurant - During the Term of the Franchise, Franchisee shall not change the site of the Franchised Restaurant without Franchisor's prior written consent, which consent shall not be unreasonably withheld; provided, however, if Franchisor approves a change in the location of the Franchised Restaurant, Franchisor may also change the Designated Territory to conform to its then current standards for the grant of similar territories.

(n) Franchise Advertising - Franchisor may require Franchisee to display signage in its Franchised Restaurant advertising Franchisor's Brunch restaurant franchises for sale. Franchisor shall pay for any such signage. Franchisee shall, at all times, place and maintain such signage at the location inside its Franchised Restaurant as Franchisor may designate from time to time.

4.) LEASING

(a) Lease Rider - Franchisee shall ensure that the Lease Rider attached to this Agreement is executed by the Franchisee and the landlord for the Franchised Restaurant contemporaneous with the execution of the lease or sublease for the Franchised Restaurant. Franchisor shall review the proposed lease to ensure that its terms conform to those in the Lease Rider.

(b) Lease or Sublease - Franchisor shall have no responsibility to review the lease or sublease for the Franchised Restaurant or to make any recommendations regarding the terms thereof. Franchisee shall provide Franchisor within five (5) days of execution or amendment, a copy of the lease or sublease, including the Lease Rider, and any amendments to any of the foregoing.

5.) DESIGNATED TERRITORY

(a) Designated Territory - During the term of this Agreement, and provided that Franchisee is not in default under this Agreement or any other agreement between Franchisor and Franchisee or any Franchisor affiliate, Franchisor will not grant to anyone else a Franchise to operate, and will not itself operate, under the Brunch name, a sit-down restaurant that offers only breakfast and lunch service and that is physically located in the Designated Territory. Franchisee acknowledges that the foregoing restriction does not prevent Franchisor or its affiliates from any activity not specifically set forth in such restriction, including:

- (i) Operating, or allowing others to operate, similar or identical businesses within the Designated Territory even if such businesses operate under the Names and Marks so long as the location from which the business is operated is not physically located in the Designated Territory;
- (ii) Operating or allowing others to operate, similar or identical businesses within the Designated Territory if such business do not operate under the Brunch trademark;
- (iii) Operating, or allowing others to operate, similar or identical businesses physically located outside the Designated Territory, whether under the Names and Marks or other trade or service marks even if the businesses compete with the Franchised Business;
- (iv) Operating, or allowing others to operate, businesses located inside the Designated Territory under the Names and Marks that are not competitive with the Franchised Business;
- (v) Selling products that may be provided to Franchisee for use or sale in its Franchised Business to other parties, whether located in the Designated Territory or otherwise and whether under the Names and Marks or otherwise;

- (vi) Selling goods or services, or granting others the right to sell goods or services, similar to or competitive with those sold by the Franchised Business, whether using the Names and Marks or other trademarks or service marks, through other distribution channels (including, the Internet, catalog sales, telemarketing, or other direct marketing) both inside and outside the Designated Territory;
 - (vii) Acquiring businesses that are similar to the Franchised Business; and
 - (viii) The sale of Franchisor or substantially all its assets, to any third party regardless whether such third party operates, or franchises the operation of, businesses similar to the Franchised Business.
- (b) Acknowledgments - Franchisee acknowledges: (i) that the restrictions set forth in this Section do not prevent Franchisor or its affiliates from any activity not specifically set forth in such restrictions; (ii) Franchisor cannot prevent another franchisee from soliciting customers inside Franchisee's Designated Territory; and (iii) Franchisee is not prohibited from soliciting customers located outside of its Designated Territory.

6.) INITIAL FRANCHISE FEE

In consideration for the grant of the Franchise to Franchisee, Franchisee shall pay to Franchisor an initial franchise fee in the amount of Fifty Thousand Dollars (\$50,000) (the "Initial Franchise Fee"). The Initial Franchise Fee shall be due and payable upon execution of this Agreement. The Initial Franchise Fee shall be deemed to have been earned by Franchisor at the time it is due and shall not be refundable.

7.) ROYALTIES

On or before the tenth (10th) day of each month, Franchisee shall pay to Franchisor a monthly nonrefundable royalty fee (the "Royalty Fee") equal to six percent (6%) of the Gross Revenues of the Franchised Business for the prior month. The Royalty Fee shall be due and payable beginning on the tenth (10th) day of the month following the first full month after the commencement of operation of the Franchised Business for the prior full month and any prior partial month and continuing thereafter for each subsequent month. The Franchised Business shall be deemed to be operating on the date certified as such by Franchisor. Failure by Franchisor to certify the Franchised Business for operation shall not relieve Franchisee from its obligation to pay Royalty Fees and any other amounts hereunder.

8.) MARKETING AND PROMOTION

- (a) Brand Fund Contribution - Franchisee shall pay to Franchisor a monthly "Brand Fund Contribution" equal to one and one-half percent (1.5%) of the previous month's Gross Revenues of the Franchised Business. The Brand Fund Contribution shall be due and payable beginning at the same time the Royalty Fee becomes due and payable.

(b) Use of System Brand Fund - Reasonable disbursements from the Brunch Brand Fund (the "System Brand Fund") shall be made solely for the payment of expenses incurred by Franchisor in connection with the general promotion of the Names and Marks, including: (i) development and production of advertising and promotional materials; (ii) the cost of formulating, developing and implementing advertising campaigns, including Internet advertising and Internet search engine campaigns, direct email marketing and the cost to maintain and update Franchisor's or its affiliates websites, web pages, social media and social networking sites, profiles and accounts, the costs of search engine optimization and the costs to create and maintain any applications, whether web-based or otherwise; (iii) the cost of formulating, developing and implementing promotional and public relations programs, including advertising in trade publications; (iv) market research; and (v) the reasonable cost of administering the System Brand Fund, including professional fees, the cost of salaries and fringe benefits paid to Franchisor's employees engaged in administration of the System Brand Fund and creative services, and overhead allocated to advertising activities. All interest, if any, earned by the System Brand Fund shall be used for the payment of the foregoing expenses in connection with promotion of the Names and Marks, before application of any principal to those expenses. Methods, media employed, contents of advertising, and terms and conditions of advertising campaigns and promotional programs shall be within the sole discretion of Franchisor. Franchisor reserves the right to engage the professional services of an advertising agency owned by, or affiliated with, Franchisor or any of its principals, to assist in developing and/or placing advertising, and to compensate that agency. Disbursements from the System Brand Fund shall not be made for the production or placement of advertising that is principally for the purpose of marketing franchise licenses. Franchisor reserves the right to dissolve the System Brand Fund but will not do so until all the monies in the System Brand Fund have been expended or until monies have been rebated to the then-existing franchisees operating under the Names and Marks on a pro-rata basis based upon their contributions to the System Brand Fund during the preceding twelve (12) months.

(c) Marketing Materials - Prior to using any marketing or promotional materials, advertisements, or other advertising not prepared by or at the direction of Franchisor, Franchisee shall submit such items to Franchisor for its prior approval. If Franchisor does not object to the use of such materials by Franchisee within ten (10) days after its receipt of such materials, Franchisee shall be free to use such materials.

(d) Grand Opening - Franchisee shall spend at least Five Thousand Dollars (\$5,000) to market the grand opening of the Franchised Restaurant on marketing Franchisor approves. This marketing must run or otherwise be performed during the sixty (60) day period before the grand opening of the Franchised Restaurant. If Franchisee fails to do so, Franchisee must pay Franchisor the difference and Franchisor will put that amount into the System Brand Fund.

(e) Local Marketing; Minimum Advertising Requirements - At its own expense, Franchisee shall conduct local marketing campaigns and promotional programs designed primarily to promote the Franchised Business (“Local Marketing”). To that end: Franchisee shall spend at least one percent (1%) of Gross Sales annually on Local Marketing that has been approved by Franchisor (the “Annual Marketing Amount”). Franchisee shall, upon request of Franchisor, provide Franchisor with receipts evidencing its expenditure of the grand opening amount set forth in Section 8(d) above and the Annual Marketing Amount on Local Marketing approved by Franchisor. If Franchisee fails to spend the Annual Marketing Amount in any given calendar year, Franchisee shall, upon demand of Franchisor, pay to Franchisor the difference between the unspent amount, and the amount spent by Franchisee, and Franchisor shall place such amount in the System Brand Fund. The Annual Marketing Amount is required to be spent in each calendar year and for the initial calendar year in which the Franchise Business opens will be pro-rated based upon the number of months remaining in such year.

(f) Marketing Events and Associations - Franchisee is required to participate in at least four (4) local marketing events during each calendar year during the Term of the Franchise. All such marketing events must meet Franchisor’s specifications. Franchisee shall also maintain membership in such local, regional and national associations required by Franchisor from time-to-time and attend the minimum number of networking events per month as required by Franchisor.

(g) Advertising Cooperative - At such time as Franchisor in its sole discretion may determine, Franchisee shall join an advertising cooperative made up of other Brunch franchisees (the “Local Cooperative”), as determined by Franchisor. In such event, Franchisee shall participate in the Local Cooperative on the terms and conditions required by Franchisor. Franchisor shall have the right to modify or dissolve any Local Cooperative at any time.

(h) Website; Internet; Security -

(i) Franchisor shall provide Franchisee a sub-page on Franchisor’s website where Franchisee may advertise its Franchised Business. This webpage shall be a template and Franchisee shall be responsible for providing Franchisor with the information to complete this page. Any and all changes to the webpage must be made by Franchisor and the webpage may contain only such information as Franchisor may approve from time to time. Other than this webpage, Franchisee shall not establish or maintain, or have established or maintained on its behalf, either alone or in concert with others, any other electronic medium or method of communication, including a website, home page, HTML document, Internet site, online directory, web page, or social media or social networking site, hashtag, profile, account or username, or applications, whether web-based or otherwise, in any event relating to or making

reference to Franchisor, the Franchised Business, or the word “Brunch” (each, a “Social Media Presence”), unless otherwise approved by Franchisor.

(ii) Franchisee will comply with all directives from Franchisor with respect to any Social Media Presence approved by Franchisor, including those related to materials posted on any Social Media Presence, links to and from any Social Media Presence, the use of the Names and Marks on any Social Media Presence, provision to Franchisor of passwords and any log-in credentials needed to access, remove, delete or modify any Social Media Presence, and security for any Social Media Presence. In addition, any Social Media Presence approved by Franchisor must be operated and maintained by Franchisee in compliance with all provisions of this Agreement, including those regarding the use of confidential and proprietary information, as well as any and all operating procedures, policies, standards and requirements that Franchisor may specify from time to time. Franchisee must also maintain any Social Media Presence approved by Franchisor in compliance with all applicable laws, rules, and regulations, including those applicable to copyright and trademark, privacy, anti-defamation, and advertising and endorsements. Franchisor reserves the right at any time, in its sole discretion, to itself, or require Franchisee to, remove, delete or modify any Social Media Presence, or any information, content or post thereon. Franchisor will retain sole ownership of any Social Media Presence, as well as any domain name related thereto and all content thereon, which includes all or a portion of any of the Names and Marks, or any word, phrase or symbol confusingly similar thereto or variant thereof, as part of the domain name, username, account name, hashtag, profile or page reference (a “Franchisor Identified Social Media Presence”).

(iii) Franchisee may not offer, promote or sell any products or services or make use of any of Franchisor’s Names and Marks, the Franchised Restaurant or the System of Operation, via any Social Media Presence without Franchisor’s prior written approval. Franchisee acknowledges that Franchisor may also impose prohibitions on Franchisee posting or blogging of comments about Franchisor, the Franchised Restaurant or the System of Operation. The foregoing prohibition includes personal blogs, common social networks like Facebook, Instagram, TikTok, Twitter, Snapchat and Pinterest; professional networks, business profiles or online review or opinion sites like LinkedIn, Google Business Profile or Yelp; live-blogging tools like Twitter and Snapchat; virtual worlds, file, audio and video-sharing sites, and other similar social networking or media sites or tools.

(iv) Franchisee is solely responsible for protecting itself from disruptions, Internet access failures, Internet content failures, and attacks by hackers and other unauthorized intruders and Franchisee waives any

and all claims Franchisee may have against Franchisor or its affiliates as the direct or indirect result of such disruptions, failures or attacks. If Franchisee suspects or knows of a security breach, Franchisee shall immediately give notice of such security breach and promptly identify and remediate the source of any compromise of security breach at its expense. Franchisee assumes all responsibility for providing all notices of breach or compromise and all duties to monitor credit histories and transactions concerning customers of the Franchised Business, unless otherwise directed by Franchisor. Franchisee shall comply with all standards, laws, rules, regulations, or any equivalent thereof relating to personal information, data privacy, and data protection, including but not limited to, as applicable, the California Consumer Privacy Act, Cal. Civ. Code Section 1798.100 et seq., and must comply with any privacy policies or data protection and breach response policies Franchisor periodically may establish.

(i) Photos, Videos and Electronic Records - Franchisor shall have the right to take photographs, videos and electronic records of the Franchised Business, including the Franchised Restaurant, and to use such photographs, videos and electronic records in any advertising or promotional material, in any form or medium now existing or later developed. Franchisor may use the foregoing without providing notice to Franchisee or receiving Franchisee's consent, and Franchisor shall not be obligated to make attribution or to compensate Franchisee for use of the foregoing. Upon the request of Franchisor, Franchisee shall reasonably cooperate with Franchisor in taking and arranging for such photographs, videos and electronic records and for obtaining the necessary consents of, or assignments from, individuals, depicted in or involved in such photographs, videos and electronic records. Franchisee irrevocably assigns to Franchisor its right, title, and interest, if any, in and to all such photographs, videos and electronic records, together with all related intellectual property rights.

(j) Customer Satisfaction - Franchisee shall participate in all customer satisfaction programs required by Franchisor. If Franchisor receives a customer complaint or if Franchisee fails to respond to a complaint within the time specified by Franchisor, Franchisor may resolve the complaint or respond for Franchisee, and Franchisee shall bill Franchisee for its costs to resolve the matter. In addition, Franchisee consents to Franchisor providing Franchisee's contact information to a third party who requests such information.

9.) METHOD OF PAYMENT/LATE PAYMENT CHARGES

(a) Electronic Funds Transfer - Franchisee shall remit Royalty Fees, Brand Fund Contributions, and other amounts due to Franchisor or its affiliates via electronic-funds transfer or other similar means. Franchisee shall comply with all procedures specified by Franchisor in this Section and in the Confidential Manual(s) with respect to such transfers and deliver and execute such

documents as may be necessary to facilitate or accomplish payment by the method described in this Section.

- (i) On or before the fifth (5th) day of each month throughout the Term of the Franchise, beginning in the month following the first full month after the commencement of operation of the Franchised Business, Franchisee shall report to Franchisor on a form required by Franchisor the true and correct Gross Revenues of the Franchised Business during the preceding month (but in the first month, the report shall include all Gross Revenues received by Franchisee from the date of this Agreement through the end of the preceding month, all of which shall be deemed received in the preceding month). Franchisee shall authorize Franchisor to initiate debit entries and/or credit correction entries to a designated checking or savings account for payments of Royalty Fees, Brand Fund Contributions, and any other amounts payable to Franchisor or its affiliates under this Agreement. Franchisee shall make the funds available to Franchisor for withdrawal by electronic transfer no later than 10:00 a.m. central time on the tenth (10th) day of each month, or if that day is not a banking business day, then by 10:00 a.m. central time on the next banking business day. If Franchisee fails to timely report Gross Revenues for any period Franchisor may debit Franchisee's account for: (i) one hundred ten percent (110%) of the Royalty Fees and Brand Fund Contributions paid by Franchisee for the last period for which a Gross Revenue report was provided; (b) the amount due for Royalty Fees and Brand Fund Contributions based upon information Franchisor has regarding the Franchised Business; or (c) one hundred ten percent (110%) of the Royalty Fees and Brand Fund Contributions paid by Franchisee for the same period in the prior year.
 - (ii) If, at any time, Franchisor determines that Franchisee has under-paid Royalty Fees, Brand Fund Contributions, or other amounts payable to Franchisor or its affiliates, Franchisor shall be authorized to initiate immediately a debit to Franchisee's account in the appropriate amount in accordance with the foregoing procedure, plus late payment charges as provided for in this Agreement. Any overpayment shall be credited to Franchisee's account through a credit effective as of the first reporting date after Franchisee and Franchisor determine that such credit is due. If the amount debited is less than the actual amount owed, Franchisee shall pay the remaining amount owing, plus a late payment charge thereon as set forth in this Agreement. If Franchisor is unable for any reason to debit the full amount permitted under this Agreement, Franchisee shall remit the remaining amount owing within five (5) days from notice by Franchisor, plus a late payment charge thereon as set forth in this Agreement.
- (b) Minimum Account Balance - Franchisee shall at all times maintain a minimum balance in the designated checking or savings account for payments of Royalty Fees, Brand Fund Contributions, and any other amounts payable by Franchisee to Franchisor or its affiliates in an amount specified by Franchisor.

(c) Late Payment Charges - All fees or payments of any type whatsoever owed by Franchisee to Franchisor or its affiliates that are not received when due will be subject to the imposition of late payment charges equal to the maximum rate permitted by law, not to exceed one and one-half percent (1 1/2%) per month.

(d) No Setoff - Franchisee shall not withhold or escrow any amounts due to Franchisor under this Agreement, or set off any such amounts against any amounts claimed to be due to Franchisee.

(e) Timing of Payment - Unless specifically set forth herein to the contrary, all amounts owed to Franchisor or any affiliate shall be due and payable to Franchisor within ten (10) days following Franchisee's receipt of an invoice therefor. Royalty and Brand Fund Contributions shall be due and payable as set forth in this Agreement.

(f) Fees - Franchisor may at any time in its sole discretion, upon notice to Franchisee, modify any prices or other amounts charged by Franchisor or an affiliate for products or services, other than the Royalty Fee and Brand Fund Contributions.

(g) Taxes - If any sales, excise, use or privilege tax is imposed or levied by any government or governmental agency on account of any amounts payable under this Agreement, Franchisee shall pay to Franchisor as an additional fee, a sum equal to the amount of such tax (but this provision shall not apply to any federal, Florida or Minnesota income taxes imposed upon Franchisor).

10.) ASSISTANCE; TRAINING; ONGOING SUPPORT

(a) Initial Training - Franchisor shall provide, at a suitable location of its choice, an initial training program consisting of approximately five (5) days of classroom training and 2 weeks of on-the-job training for Franchisee, each of its owners and any General Manager of the Franchised Restaurant permitted by Franchisor (the "Initial Training Program"). The Initial Training Program will be provided without charge to two (2) attendees. Travel and living expenses incurred by individuals attending the Initial Training Program shall be the responsibility of Franchisee. If there are more than two (2) attendees at the Initial Training Program the cost for each additional attendee is Five Hundred Dollars (\$500) per person. All or a portion of the classroom portion of the Initial Training Program may be provided on-line at Franchisor's sole discretion.

The classroom portion of the Initial Training Program must be completed by Franchisee's attendees within sixty (60) days after Franchisee signs the Franchise Agreement. The on-the-job portion of the Initial Training Program must be started within thirty (30) days of Franchisor's approval of the Franchised Restaurant location and successfully completed within forty-five

(45) days of beginning this portion of training. For the on-the-job portion of the Initial Training Program attendees will work in a Brunch restaurant but will not be paid nor will they be deemed employees of such restaurant. If any required attendee fails to satisfactorily complete the Initial Training Program within the required time period, Franchisor may terminate the Franchise Agreement.

(b) New General Manager Training - Any General Manager who does not complete the Initial Training Program before opening of the Franchised Restaurant must attend and successfully complete to Franchisor's satisfaction the classroom portion of the Initial Training Program within thirty (30) days after the individual begins to perform services on Franchisee's behalf. This training will be held on-line. The cost of this training is currently Five Hundred Dollars (\$500) per day, but may be adjusted. Franchisee must pay the charges for such training prior to the beginning of the training.

(c) Additional Optional Training - Upon the request of Franchisee, at reasonable times determined by the parties, Franchisor will provide additional training to Franchisee on topics requested by Franchisee and agreed to by Franchisor. Such training shall be held at a location determined by Franchisor or may be provided on-line. Franchisor shall charge such fees as it shall establish from time to time for such training and such fees must be paid prior to the time such training begins. Cost of this training is currently Five Hundred Dollars (\$500) per day, plus reimbursement of the travel and living expenses of Franchisor's trainers if the training is not held at Franchisor's offices. This cost may be adjusted.

(d) Confidential Manual(s) - Franchisor shall loan to Franchisee one or more manuals for use in the Franchised Business, which manuals may consist of brand standards, operations, and training manuals or otherwise (the "Confidential Manual(s)"). The Confidential Manual(s) are not to be copied in whole or in part, shall remain the property of Franchisor and shall always be kept in safekeeping. Franchisor, from time to time, may add to or modify some or all of the Confidential Manual(s) to supplement or to improve the System of Operation and the contents and methods of promotion franchised hereunder and Franchisee shall at all times maintain the updated Confidential Manual(s). Franchisee acknowledges that all information contained in the Confidential Manual(s) is the confidential proprietary information of the Franchisor and may only be used by Franchisee during the Term of the Franchise.

(e) Conventions - Franchisor may conduct an annual or bi-annual convention for all franchisees operating under the Names and Marks. If Franchisor chooses to hold such a convention, any owner of Franchisee owning 50% or more of the Franchised Restaurant and each General Manager of the Franchised Restaurant must attend such convention. Regardless whether such individual attends the convention, Franchisee shall pay to Franchisor any convention registration fee established by Franchisor for that convention.

(f) Leadership/Kitchen Training - Franchisee, each of its owners and any General Manager of its Franchised Restaurant shall attend the Leadership/Kitchen Training Franchisor requires. This training may be held in-person or on-line. The cost for this training is currently \$500 per attendee plus travel and living expenses of our trainer if the training is not held in Milwaukee, Wisconsin. Franchisee's attendees must complete this training to our satisfaction. Franchisee is responsible for travel and living expenses of its attendees.

(g) On-Site Support; Telephonic Assistance - In addition to its other obligations under this Agreement, Franchisor will, without additional charge, provide Franchisee with at least five (5) days of on-site support and assistance at the Franchised Restaurant during the fourteen (14) day period prior to the opening of the Franchised Restaurant and an additional five (5) days of support during the fourteen (14) day period after the opening of the Franchised Restaurant. Franchisor will also be available during normal business hours, and without charge to Franchisee, to provide Franchisee with reasonable telephone support on operating issues concerning the Franchised Business. From time to time Franchisor shall also organize and conduct telephonic or on-line sessions with Franchisee and other franchisees of the Brunch franchise system to discuss various items, including operating procedures, best practices and new offerings.

(h) Notice of Deficiencies - If Franchisee believes Franchisor has failed to adequately provide any services required to be provided to Franchisee in regard to the training, support or any other matter affecting the establishment of the Franchised Business, Franchisee shall so notify Franchisor in writing within thirty (30) days following opening of the Franchised Restaurant. Absent the timely provision of such notice to Franchisor, Franchisee shall be deemed to conclusively acknowledge that all pre-opening and opening services required to be performed by Franchisor were sufficient and satisfactory in Franchisee's judgment.

(i) Additional Mandatory Training - If Franchisor requires additional training to attempt to maintain competitiveness in the industry or Franchisee fails to provide services that meet Franchisor's standards, specifications or procedures, Franchisor shall have the right to assign such person or persons that it deems necessary to provide additional training to Franchisee. Cost of this training is currently Five Hundred Dollars (\$500) per day plus the travel and living expenses of Franchisor's trainers if the training is not held at Franchisor's offices. This cost may be adjusted. This training may be a mix of in-person and on-line training.

(j) Technology Fee - Franchisor may implement a "Technology Fee" on thirty (30) days' notice to Franchisee. The technology environment is rapidly changing and it is difficult to anticipate the future cost of developing, acquiring, implementing and licensing technologies, including mobile applications, related to the System of Operation. Franchisor may change the amount of this fee at its

sole discretion. It may also implement technology initiatives as it determines in its sole discretion. Franchisee shall participate in these initiatives and pay any charges related to these initiatives, including the Technology Fee.

(k) Level of Performance; Delegation - Franchisor is not obligated to perform any services to Franchisee's particular level of satisfaction, but as a function of Franchisor's experience, knowledge and judgment. In addition, Franchisor shall have the right to subcontract or delegate any of its duties and responsibilities under this Agreement; provided, however, Franchisor shall be responsible for the performance of such duties, notwithstanding such subcontract or delegation, to the same extent as if Franchisor had not subcontracted or delegated such duties, unless such subcontract or delegation is in connection with an assignment pursuant to Section 18(a) below.

11.) OPERATION OF THE FRANCHISED BUSINESS

(a) Commencement of Operation - Franchisee may not commence operation of the Franchised Business until Franchisee has satisfied all conditions set forth in this Agreement required to be satisfied by Franchisee prior to opening the Franchised Business, including successful completion by all required attendees of the Initial Training Program, and Franchisor has provided Franchisee with written certification of the completion of all such conditions.

(b) Full Time Basis Involvement - Franchisee (or the majority owner of Franchisee if Franchisee is not an individual) must be involved on a full-time basis in the operation of the Franchised Business. Franchisee may not hire a General Manager to manage the Franchised Restaurant until the Franchised Restaurant has been open and operating for at least one year, unless otherwise approved by Franchisor. Notwithstanding the foregoing, Franchisee shall at all times be held responsible for the day-to-day operation and management of the Franchised Business. If this is the fifth or more Brunch restaurant that is owned by Franchisee or its affiliates, as a condition to execution of this Agreement by Franchisor, Franchisee shall have retained an operating partner to assist in the day-to-day management of the Franchised Restaurant. The operating partner must have at least a 20% ownership interest in the Restaurant and must have successfully completed the Initial Training Program within ninety (90) days of being named the operating partner. Any operating partner must sign a non-competition and confidentiality agreement that restricts him or her to the same extent as Franchisee is restricted under this Agreement.

(c) Training - Franchisee shall provide to each of its staff members an initial training program meeting Franchisor's requirements. Franchisee shall also provide such annual trainings to such individuals as are required by Franchisor. The content of these trainings shall also meet Franchisor's requirements. Franchisee shall provide to Franchisor, upon Franchisor's request, a certification that all of such individuals have successfully completed the initial training program as well as any annual programs. No such individual shall perform

services on behalf of Franchisee until such individual has successfully completed the initial training program.

(d) Maintenance of High Quality Service - Franchisee shall utilize its best efforts, skill and diligence to ensure that Franchisee and Franchisee's employees and agents establish and maintain high quality service to all doing business with the Franchised Business. At all times, Franchisee shall conduct its business in a manner that will preserve and enhance the goodwill associated with the Names and Marks.

(e) Product/Service and Payment Limitations - Franchisee shall at all times offer such products and services through the Franchised Business as are required by Franchisor and shall comply with any menu mix requirements. All such products shall be offered, made and served by Franchisee in accordance with Franchisor's specifications, including in strict conformance with any recipes of Franchisor. Franchisee acknowledges and agrees that Franchisee may not operate any business from the Franchised Restaurant, or offer or sell any products or services, that have not been approved by Franchisor. All products and services may be sold only from the Franchised Restaurant. Franchisee may not provide off-site sales or off-site catering. Franchisee may not operate from a food truck or other vehicle, nor may Franchisee use a third-party delivery service without Franchisor's prior approval. Franchisee may only take the forms of payment for its products and services that Franchisor may specify from time-to-time, subject to applicable law. Franchisee shall keep the Franchised Restaurant open for business during the days of the week specified by Franchisor, subject to applicable law. Franchisee acknowledges that its hours of service to the general public in any given day shall be as specified by Franchisor and Franchisee shall not provide services outside of such hours specified by Franchisor.

(f) Compliance with Specifications and Procedures - Franchisee acknowledges that the Confidential Manual(s) are designed to protect Franchisor's standards and systems, and the Names and Marks, and not to control the day-to-day operation of the business. Franchisee shall comply with all rules, regulations, and directives specified by Franchisor, as well as all mandatory standards, specifications and procedures contained in the Confidential Manual(s), as amended from time to time, and shall adopt and adhere to the policies of Franchisor. Franchisor specifically reserves the right to modify or change such rules, regulations and directives.

(g) Computer Systems - Franchisee must subscribe, at Franchisee's expense, to an Internet service provider or other electronic communication provider or service and obtain and use, at Franchisee's expense, and in the manner and form and meeting such minimum standards as Franchisor may approve or require, computer equipment, operating software, communication services, and other electronic and computer systems, and the like, for communicating, reporting, managing and other operations of the Franchised Business. Franchisor shall

have independent access to all of Franchisee's computer systems and Franchisee shall provide Franchisor with any passwords or login ability to access all such computer systems, including any software, and any Social Media Presence. Franchisor may require that any and all communications between Franchisee and Franchisor be made through the Internet or such other electronic medium as Franchisor may designate, and Franchisee may be required to access the Internet or other electronic information on a regular basis to obtain full benefit of the System of Operation. To that end, Franchisee shall maintain a working email address to communicate with Franchisor. Franchisor is not liable for any damage to Franchisee including lost profits, which occur as a result of any outage or delay related to electronic transmission of information, whether by the Internet or otherwise, or as a result of Franchisee's failure to access the information. Franchisor may, in its sole discretion, make use of any information furnished by it to Franchisee in the conduct of its business.

(h) Upgrades - Notwithstanding anything set forth in this Agreement to the contrary, Franchisor may require Franchisee to upgrade any technology used by Franchisee in the Franchised Business at any time and without regard to any expenditure limitations. Additionally, there shall be no limit on Franchisor's right to require Franchisee to replace its point of sale system, to replace or upgrade other computer hardware or software used by Franchisee in the Franchised Business or to require Franchisee to purchase additional computer hardware or software that Franchisor may select for use in the Franchised Business.

(i) Provision of Information - Franchisee also acknowledges and agrees that any and all information provided to Franchisee by Franchisor or any affiliate of Franchisor may be provided in such manner and by such media as Franchisor may determine, including, without limitation, by electronic and/or computer means. Franchisee also specifically agrees Franchisor, any affiliate of Franchisor or any third party supplier approved by Franchisor may communicate with Franchisee by facsimile, email, or other electronic communications.

(j) Equipment Maintenance - Franchisee shall maintain all equipment used in the Franchised Business in excellent working condition. As such items become obsolete or mechanically impaired to the extent they require replacement, Franchisee shall replace such items with either the same or substantially similar types and kinds of equipment as are being installed in other, similar businesses franchised by Franchisor, or opened by Franchisor or its affiliates, at the time replacement becomes necessary. All equipment used in the Franchised Business shall meet the specifications of Franchisor and shall be approved by Franchisor prior to installation thereof.

(k) Taxes - Franchisee shall promptly pay when due all taxes levied or assessed by reason of its operation and performance under this Agreement. Franchisee further shall secure and pay premiums on a workers' compensation

policy covering all of its employees and, if applicable, shall pay all state unemployment taxes, state sales taxes and all other taxes and expenses of operating the Franchised Business. In the event of any bona fide dispute as to the liability for any taxes assessed against Franchisee, Franchisee may contest the validity or amount of the tax in accordance with procedures of the taxing authority. In no event, however, shall Franchisee permit a tax sale or seizure by levy of execution or similar writ or warrant to occur against the Franchised Business, or any part thereof.

(l) Personnel - All Franchisee's personnel involved in the Franchised Business shall wear apparel meeting Franchisor's standards. Franchisee shall hire all personnel of the Franchised Business, and be exclusively responsible for the terms of their relationships with Franchisee, including compensation.

(m) Franchisee Control - Franchisee acknowledges that it is responsible for the day-to-day operation of its Franchised Business, including hiring, setting the conditions of employment, supervising, discipline and termination of all personnel, purchases (or leases) and maintenance of equipment and supplies, preparing Franchisee's own marketing plans and funding and implementing those marketing plans, maintenance of employment records, and daily maintenance, safety, security and the achievement of compliance with the System of Operation. Franchisor's ability to approve certain matters, to inspect the Franchised Business and its operations and to enforce its rights, exists only to the extent necessary to protect its interest in the System of Operation and the Names and Marks. Neither the retention nor the exercise of these rights is for the purpose of establishing any control, or the duty to take control, over those matters that are clearly reserved to Franchisee. Franchisee's employees are not Franchisor's agents or employees and Franchisor is not a joint employer of these individuals. Franchisee is solely responsible for performing all administrative functions at the Franchised Restaurant, including payroll and providing workers' compensation insurance. Franchisee acknowledges that it is not economically dependent on Franchisor, and that Franchisor does not provide facilities, equipment or house or transport Franchisee's employees or provide to Franchisee's employees tools or materials required for Franchisee's employees to perform services for Franchisee.

(n) Programs - Franchisee must participate in, comply with all terms and conditions of, and pay all charges related to, all programs Franchisor may require Franchisee to participate in from time to time, including but not limited to, any gift card, customer satisfaction, frequent diner or other membership programs for Brunch customers. The terms and conditions of any such programs, as well as the programs themselves, may be modified or terminated at any time by Franchisor in its sole and absolute discretion.

(o) Compliance with Laws - Franchisee shall comply with all laws applicable to its Franchised Business. For the avoidance of any doubt, Franchisee shall

ensure that the operation of its Franchised Restaurant complies will all applicable laws, including any liquor laws.

(p) Gift Cards and Certificates - Franchisee shall sell or otherwise issue gift cards or certificates that have been prepared utilizing the standard form of gift card or certificate specified by Franchisor, and only in the manner specified by Franchisor. Franchisee shall fully honor all such gift cards or certificates that are in the form provided or approved by Franchisor regardless of whether the gift card or certificates was issued by Franchisee or another Brunch restaurant. Franchisee shall sell, issue, and redeem (without any offset against any Royalty Fees) gift cards and certificates in accordance with procedures and policies specified by Franchisor, including those relating to procedures by which Franchisee shall request reimbursement for such gift cards or certificates issued by other Brunch restaurants and for making timely payment to Franchisor, other operators of Brunch restaurants, or a third-party service provider for gift cards or certificates issued from the Franchised Restaurant that are honored by Franchisor or other Brunch franchisees.

12.) NAMES AND MARKS

(a) Display of Names and Marks - Franchisee shall operate under, and prominently display, the Names and Marks in the operation of the Franchised Business in the manner specified by Franchisor, and pursuant to the standards made available to Franchisee by Franchisor. Franchisee shall use no commercial trade names, service marks, or other commercial symbols, including associated logos, that do not satisfy the criteria established by Franchisor. If this Agreement is in the name of, or assigned to, a corporation, partnership, or limited liability company, Franchisee may not use all or part of the Names and Marks as part of the name of the corporation, partnership, or limited liability company, and Franchisee must obtain Franchisor's prior written approval of the name of the corporation, partnership, or limited liability company prior to incorporation, formation or organization, as applicable. Franchisee may not use all or part of any of the Names and Marks, or any similar name, word, symbol or variant thereof, in a domain name, account name, profile or URL, except as specifically approved by Franchisor.

(i) If Franchisor deems it advisable, Franchisee shall file for and maintain a "Certificate of Trade Name" in the county, or other appropriate jurisdiction, in which the Franchised Business is located.

(ii) Franchisee shall not use any of the Names and Marks in combination with other words, letters, prefixes, suffixes, logos or designs, other than in the manner authorized by Franchisor.

(b) Change of Names and Marks - From time to time, Franchisor may elect to discontinue the use of certain Names and Marks and to commence use of new Names and Marks. Franchisee shall pay all expenses incurred in connection

with discontinuing the use of existing Names and Marks in the Franchised Business and commencing the use of new Names and Marks therein.

(c) Ownership of Marks and Goodwill - Franchisee acknowledges that Franchisor owns the Names and Marks. Franchisee's right to use the Names and Marks is derived solely from this Agreement and all such usage and any goodwill established thereby shall inure to the exclusive benefit of Franchisor. Franchisee waives any right to challenge Franchisor's entitlement or ownership of the Names and Marks.

(d) Cessation of Use - Franchisee agrees that, upon the termination or expiration of the Term of the Franchise for any reason whatsoever, Franchisee shall forthwith discontinue the use of the Names and Marks, and thereafter shall no longer use, or have the right to use, the Names and Marks.

(e) Notification of Infringement - Franchisee shall immediately notify Franchisor of any infringement of or challenge to Franchisee's use of present and future Names and Marks and shall not communicate with any other person in connection with any such infringement, challenge or claim. Franchisor shall have sole discretion to take such action as it deems appropriate, including the exclusive control of any litigation or any Trademark Office or other administrative proceeding arising out of any such infringement, challenge or claim relating to any of the Names and Marks.

13.) EQUIPMENT/SUPPLIES/SERVICES

(a) Equipment; Supplies and Approved Suppliers - All equipment, including kitchen equipment, food, food stuffs, ingredients, products for sale, point of sale and wait list systems, supplies, beverages, including alcohol, condiments, including hot sauces, staff uniforms, design and décor of the Franchised Restaurant, signage, furniture, including tables, chairs, high chairs, booster seats, menus, music play lists, computer hardware and software, including email marketing software, point of sale software, scheduling software, restaurant management software, office software, training system software, security system software, anti-virus software, technology and security systems, internet and other electronic communication services, insurance, advertising and marketing materials, and third party delivery providers, must all meet Franchisor's specifications. From time to time, Franchisor shall provide Franchisee a list of approved suppliers of various items and services, including, equipment, food and food stuffs, supplies, software, hardware, and other items used in the operation of the Franchised Business. The approved source of supply for any individual item may be Franchisor, an affiliate of Franchisor, or an independent third party. To that end, Franchisor, an affiliate or an unrelated third party may be the sole source of supply for an item.

(i) Unless otherwise specified by Franchisor, Franchisee shall not be restricted from using sources of supply other than those previously

approved by Franchisor, if the other sources supply items or services of substantially the same quality and specifications as those supplied by the approved suppliers.

- (ii) Franchisor reserves the right to require Franchisee to obtain the written approval of Franchisor prior to the use of any supplier not previously approved by Franchisor and, as a precondition to the granting of such approval, may require the proposed supplier to submit to Franchisor samples of products it proposes to provide to Franchisee for use in the Franchised Business and any other information Franchisor requires. In such event, Franchisor shall have sixty (60) days from its receipt of all such information to approve such supplier. Any supplier not approved in such time period shall be deemed disapproved. Franchisor does not maintain any written criteria for approval of a supplier.
 - (iii) Franchisee acknowledges that: (a) Franchisor has only approved one supplier of Franchisee's point-of-sale system, food, food stuffs and other food ingredients, coffee, mugs and t-shirts with Franchisor's Names and Marks on them for re-sale and use by the staff of the Franchised Restaurant, the marketing platform and marketing materials Franchisee must use to market its Franchised Business, and that Franchisor is unlikely to approve another supplier for such items; (b) Franchisor is the sole supplier of Franchisee's hot sauces and Franchisor is unlikely to approve another supplier of such items; (c) Franchisor may have other sole sources of supply which may be Franchisor or any affiliate and that Franchisor may change the items or sole sources of supply from time to time; and (d) Franchisor may make a profit on any items it or any affiliate sells to Franchisee and that Franchisor may receive rebates or other consideration or benefits from suppliers selling items to Franchisee.
- (b) Services/Pricing - As discussed earlier, Franchisee shall not offer or sell any products or services that have not been approved by Franchisor. Franchisee shall set its own pricing and rates for the products and services it offers in the Franchised Business; provided, however, Franchisee shall adhere to any minimum or maximum prices prescribed by Franchisor for services or products offered by Franchisee, in accordance with applicable law.
- (c) Liability - Franchisor shall not be liable to Franchisee for damages caused by the failure of Franchisor or an approved supplier to make available for purchase any item or service, unless the failure is the result of factors within Franchisor's reasonable control.

14.) INFORMATION, REPORTS, INSPECTIONS AND AUDITS

- (a) Books and Records; Reports - Franchisee shall maintain its books and records in the manner reasonably required by Franchisor. Franchisee shall provide Franchisor with such operational, financial and sales information

relating to the business of Franchisee as from time to time may be reasonably required by Franchisor, which shall include, but is not limited to, revenue certifications and inventory value, all in the forms as required by Franchisor. To that end, Franchisee shall provide to Franchisor such monthly and/or annual financial reports as Franchisor may specify. The financial and sales information shall be delivered to Franchisor, at the time, in the form and by the means of communication authorized by Franchisor. Franchisor may use such financial information in any manner and for any purpose it, in its sole and absolute judgment, deems appropriate. Franchisee, and if Franchisee is a limited liability company, corporation or partnership, the owners of Franchisee, shall also submit to Franchisor, upon request, copies of their annual federal, state, and city, if any, income and sales tax returns, if any.

(b) Audit Rights - Franchisor shall have the right to audit or cause to be audited the sales reports and financial statements delivered to Franchisor, and the financial books, records and sales and income tax returns of Franchisee, and if Franchisee is a limited liability company, corporation or partnership, the owners of Franchisee. If any audit discloses that Franchisee has failed to pay to Franchisor any Royalty Fees or Brand Fund Contributions owed Franchisor based upon an understatement of Gross Revenues, Franchisee, within ten (10) days of receipt of the audit report, shall pay to Franchisor the Royalty Fees, Brand Fund Contributions and other amounts due Franchisor, plus late payment charges from the due date at the maximum rate permitted by law, not to exceed one and one-half percent (1 1/2%) per month. In addition, if an understatement for any period equals two percent (2%) or more of the Gross Revenues of the Franchised Business for any period, Franchisee shall reimburse Franchisor for the cost of the audit, including the charges of any independent accountant and the travel expenses, room and board, and compensation of persons employed by Franchisor to make the audit.

(c) Inspection Rights - Franchisee shall permit Franchisor and its representatives, whenever Franchisor reasonably may deem necessary, during normal business hours, to enter, remain on and inspect the Franchised Restaurant. Franchisor and its representatives may also, without notice to Franchisee, interview customers of the Franchised Business.

(d) Ownership of Information - All information Franchisor obtains from Franchisee or about or related to the Franchised Business (collectively, the "Information"), and all revenues Franchisor derives from such Information, shall be Franchisor's property. Franchisee may use information that it acquires from third parties in operating the Franchised Business, such as customer data, at any time during the Term of the Franchise to the extent lawful and at its sole risk and responsibility, but only in connection with operating the Franchised Business for the purposes hereunder. The Information (except for information Franchisee provides to Franchisor with respect to it and its affiliates) shall become the confidential information of Franchisor, which Franchisor may use for any reason it deems necessary or appropriate. Franchisee and Franchisor

shall comply with all applicable laws pertaining to the privacy and security of personal information, including, without limitation, local, regional and national requirements applicable to the Franchised Business. Further, Franchisee recognizes and agrees that between Franchisee and Franchisor, Franchisor owns all rights to and all interest in and to any data, whether customer data, click-stream data, user data or otherwise, hits or other information collected via any electronic medium or method of communication, including a website, home page, HTML document, Internet site, online directory, web page, or social media or social networking site, or application, whether web-based or otherwise, related to the System or the Names and Marks. Such information is deemed by Franchisor to be and constitutes its confidential information.

(e) Owners - At the time this Agreement is executed by Franchisee, Franchisee shall also complete the Statement of Ownership and Management attached hereto, and, if Franchisee is a corporation, partnership or limited liability company, each owner of Franchisee as of the date hereof, as well as any future owners of Franchisee along with their spouses, must sign Franchisor's then-current Guaranty at the time such individual becomes an owner of Franchisee. Franchisee shall immediately notify Franchisor of any change in any of the information in the Statement of Ownership and Management last submitted to Franchisor. Further, upon request of Franchisor, Franchisee shall provide Franchisor with an updated Statement of Ownership and Management.

15.) INSURANCE

(a) Type of Coverage - At all times during the Term of the Franchise, Franchisee shall maintain in force, at its sole expense, property insurance covering the Franchised Restaurant, all personal property of the Franchised Business, any improvements and betterments to the Franchised Restaurant, equipment breakdown, food spoilage, utility services direct and indirect damage, business income, and earthquake or flood, as applicable, crime insurance coverage including employee dishonesty coverage, liability insurance including commercial general liability insurance, liquor liability or dram shop coverage, automobile liability, including garage keepers liability if applicable, workers compensation and employers liability insurance, cyber insurance, and umbrella coverage, and such other types of insurance and coverages, all in such minimum amounts and on such terms as may be specified by Franchisor from time to time.

(i) The insurance coverage shall be maintained under one (1) or more policies of insurance containing the amounts and types of coverage from time to time prescribed by Franchisor and insured by insurance companies meeting Franchisors requirements.

(ii) All insurance policies shall name Franchisor as an additional insured and provide for a waiver of subrogation, other than workers compensation. All such policies shall provide that Franchisor receive thirty (30) days'

prior written notice of termination, expiration, reduction or cancellation of any such policy.

(iii) Franchisee shall submit to Franchisor upon placement and annually thereafter, a copy of the certificate of or other evidence of the renewal or extension of each such insurance policy. If requested by Franchisor, Franchisee shall also promptly deliver to Franchisor the actual insurance policies in addition to the foregoing certificates.

(b) Failure to Obtain - If Franchisee at any time fails or refuses to maintain any insurance coverage required by Franchisor, or fails to furnish satisfactory evidence thereof, Franchisor, at its option and in addition to its other rights and remedies hereunder, may obtain such insurance coverage on behalf of Franchisee, and any costs of premiums incurred by Franchisor in connection therewith shall be paid by Franchisee on demand.

16.) CONFIDENTIALITY AND IMPROVEMENTS BY FRANCHISEE

(a) Maintenance of Confidence - Franchisee acknowledges that all of the information it has now or obtains in the future concerning the System of Operation and the concepts and methods of promotion franchised hereunder, is derived from Franchisor pursuant to this Agreement, and that such information will be treated in confidence and shall only be used for the purposes set forth in this Agreement. Franchisee agrees never to, directly or indirectly, engage in or abet the misappropriation (as the term “misappropriation” is defined in the Wisconsin Uniform Trade Secrets Act), or the disclosure, divulgence, or distribution of all or any part of the System of Operation and the concepts and methods of promoting franchises hereunder.

(b) Improvements - If Franchisee, during the Term of the Franchise, conceives or develops any improvements or additions to the System of Operation, including any new products, trade names, trade and service marks and other commercial symbols related to the Franchised Business, or any advertising, promotion or marketing ideas related to the Franchised Business (“Improvements”), Franchisee shall fully disclose the Improvements to Franchisor without disclosure of the Improvements to others and shall obtain Franchisor’s written approval prior to the use of such Improvements. Any such Improvement approved by Franchisor may be used by Franchisor and all other franchisees of Franchisor without any obligation to Franchisee for royalties or similar fees. Franchisee shall assign to Franchisor, and hereby does assign to Franchisor, without charge, all rights to such Improvements, together with the goodwill associated with the Improvements, including the right to grant sublicenses to any such Improvements. Franchisor, at its discretion, may make application for and own copyrights, trade names, trademarks and service marks relating to any such Improvements. Franchisor also may consider such Improvements as the property and trade secrets of Franchisor. Franchisor shall

authorize Franchisee to utilize any Improvement authorized generally for use by other franchisees.

17.) RESTRICTIVE COVENANTS

(a) Covenants - Franchisee acknowledges Franchisor must be protected against the potential for unfair competition by Franchisee's use of Franchisor's training, assistance and trade secrets in direct competition with Franchisor. Franchisee therefore agrees that it shall not:

(i) During the Term of the Franchise, either directly or indirectly: (a) operate, own, manage, or be employed by or consult with, any Competitive Business, other than one operated under a valid franchise agreement with Franchisor, or any business or other venture offering or selling franchises or licenses for a Competitive Business, or (b) divert or attempt to divert any customer or potential customer to any competitor of Franchisor, or a competitor of a franchisee or of an affiliate of Franchisor; or (c) otherwise interfere with the business activities of Franchisor or any affiliate or any other franchisee of Franchisor with respect to any of the foregoing.

(ii) For a period of two (2) years following the termination or assignment of this Agreement, either directly or indirectly: (a) operate, own, manage, be employed by or consult with: (1) any Competitive Business, other than one operated under a valid franchise agreement with Franchisor, that is located or doing business in the Restricted Area; or (2) any business or other venture located in or doing business in the Restricted Area that is offering or selling franchises or licenses for the operation of a Competitive Business, or any business or other venture located outside of the Restricted Area that is offering or selling franchises for Competitive Businesses located in, or to be located in, the Restricted Area; or (b) otherwise interfere with the business activities of Franchisor or any affiliate or any other franchisee of Franchisor, including diversion or attempt to divert any customer or potential customer to any competitor of Franchisor, or a competitor of a franchisee or of an affiliate of Franchisor.

(iii) In the event of the violation of Section 17(a)(ii) above by Franchisee following termination or assignment of this Agreement, the period of time Franchisee shall be required to abide by the breached obligation shall be extended to a period of two (2) years after Franchisee is no longer in breach of such obligation.

(b) Franchisee Acknowledgments - Franchisee agrees that the restrictions contained in this Section 17 are reasonable and necessary to protect the interests of Franchisor and other franchisees of Franchisor. Franchisee further acknowledges that because of the narrow scope of the limitations, the foregoing restrictions do not unduly restrict Franchisee's ability to engage in gainful employment. If Franchisee violates these restrictions, then in addition to

damages incurred by Franchisor for which Franchisee shall be liable, Franchisor shall be entitled to injunctive relief to prevent the continuation of such breach.

18.) ASSIGNMENT

(a) By Franchisor - This Agreement is fully assignable by Franchisor, and shall inure to the benefit of any assignee or other legal successor in interest of Franchisor.

(b) General Prohibition on Franchisee Assignment - No Franchisee, partner (if Franchisee assigns this Agreement to a partnership), shareholder (if Franchisee assigns this Agreement to a corporation), or member (if Franchisee assigns this Agreement to a limited liability company), without the prior written consent of Franchisor, by operation of law or otherwise, shall sell, assign, transfer, convey, give away, lease, have redeemed or encumber to any person, trust, firm, corporation, partnership or company, its interest in this Agreement or its interest in the Franchise granted hereby or its interest in any proprietorship, partnership, corporation, or limited liability company which, directly or indirectly, owns any interest in the Franchise, or its interest in the Franchised Business or the assets of the Franchised Business. Any purported assignment not having the necessary consent shall be null and void and shall constitute a material default hereunder.

(c) Conditions to Franchisee Assignment - Franchisor shall not unreasonably withhold its consent to any assignment provided the following conditions and requirements shall first be satisfied:

(i) If Franchisee desires to assign or transfer all of its rights to a partnership, corporation, or limited liability company controlled by Franchisee:

(a) the transferee shall be newly organized, and its charter shall provide that its activities are confined exclusively to operating the Franchised Business;

(b) Franchisee shall be and shall remain the owner of not less than fifty-one percent (51%) of the issued and outstanding voting stock or membership interests of the transferee corporation or limited liability company or, in the case of a partnership, of fifty-one percent (51%) of the voting control of the transferee partnership;

(c) Franchisee shall be and shall remain the principal executive officer of the transferee;

(d) the transferee shall enter into a written agreement with Franchisee and Franchisor, in a form satisfactory to Franchisor, assuming all of Franchisee's obligations hereunder;

(e) all the partners, shareholders or members of the transferee shall enter into a written agreement in a form satisfactory to Franchisor jointly

and severally guaranteeing the full payment and performance of the transferee's obligations to Franchisor and agreeing to be personally bound by all covenants and restrictions imposed upon the transferee under this Agreement;

(f) each stock or membership certificate of the transferee corporation or limited liability company, or the partnership agreement of the transferee partnership, shall have conspicuously endorsed upon it a statement that it is held subject to, and that further assignment or transfer of any interest therein is subject to, all restrictions imposed upon assignments by this Agreement;

(g) no new voting interest in the transferee shall be issued to any person or entity without obtaining Franchisor's prior written consent; and

(h) all accrued money obligations of Franchisee to Franchisor and its subsidiaries, affiliates and assigns shall be satisfied prior to assignment or transfer.

(ii) If an assignment (other than an assignment as set forth in Section 18(c)(i) above), alone or together with other previous, simultaneous or proposed transfers, would have the effect of transferring control of the Franchise created hereby or the Franchised Business:

(a) the transferee shall meet Franchisor's then current standards for the issuance of a franchise, be of good moral character and reputation and shall have a good credit rating, financial capabilities and competent business qualifications reasonably acceptable to Franchisor, and maintain all licenses required to operate the Franchised Restaurant, including a liquor license. Franchisee shall provide Franchisor with the information it may reasonably require to make a determination concerning each proposed transferee;

(b) the transferee, including all shareholders, members and partners of the transferee, shall jointly and severally execute a new franchise agreement with Franchisor, on the terms then offered by Franchisor to new franchisees, except that all pre-opening obligations of the parties, other than the transferee's obligation to complete the Initial Training Program to Franchisor's satisfaction, shall be waived, including the obligation of the transferee to pay a new initial franchise fee;

(c) if the transferee is a corporation, limited liability company or partnership, each stock or membership certificate, or the partnership agreement, shall have conspicuously endorsed upon it a statement that it is held subject to, and further assignment or transfer of any interest therein is subject to, all restrictions imposed upon assignments by this Agreement;

(d) if the transferee is a corporation, partnership, or limited liability company, no new voting interest in the transferee shall be issued to any person or entity without obtaining Franchisor's prior written consent;

(e) Franchisee shall have fully paid and satisfied all of Franchisee's obligations to Franchisor and its affiliates, and Franchisee shall pay to Franchisor a transfer fee equal to one-half of the then-current initial franchise fee being charged by Franchisor in connection with the sale of a new Brunch franchise; provided, however, if Franchisor is not then selling franchises the fee shall be equal to the initial franchise fee paid by franchisee for the Franchise;

(f) Franchisee shall have executed an agreement in form satisfactory to Franchisor in which it agrees to: (i) release any claims it has against Franchisor and its affiliates; (ii) subordinate any claims it may have against the transferee to any amounts owed by the transferee to Franchisor; (iii) comply with the post-term obligations set forth herein, including the non-competition and confidentiality provisions; and (iv) indemnify Franchisor against all claims brought against Franchisor by the transferee arising out of the transfer for a period of three (3) years following the transfer;

(g) if the transferee is a corporation, limited liability company or partnership, all the shareholders, members, or partners of the transferee and their spouses shall enter into a written agreement, in a form satisfactory to Franchisor, jointly and severally guaranteeing the full payment and performance of the transferee's obligations to Franchisor and agreeing to be personally bound by all covenants and restrictions imposed upon the transferee under the terms of this Agreement; and

(h) if the assignment or transfer is caused by the death or incapacity of Franchisee (or in the case of a partnership, corporation or limited liability company, by the death or incapacity of one controlling more than forty-nine percent (49%) of the voting interest of Franchisee), the provisions of this Section 18(c)(ii) must be met with regard to the heir or personal representative of Franchisee succeeding to Franchisee's interest hereunder; provided, however, if the heir or personal representative assigns, transfers or sells its interest in the Franchise within sixty (60) days after the death or incapacity of Franchisee, the person to whom the interest is assigned, transferred or sold, and not Franchisee's heir or personal representative, must comply with the provisions of this Section 18(c)(ii) as transferee.

(d) Disclosure - Franchisee consents to Franchisor releasing to any proposed transferee any information concerning the Franchised Business.

(e) No Single or Partial Transfer - Notwithstanding anything set forth herein to the contrary, Franchisee may not transfer a portion of its rights or obligations hereunder or a portion of the Franchised Business, if such transfer would result in the division of the Franchised Business.

19.) OPTION AND RIGHT OF FIRST RIGHT OF FIRST REFUSAL

(a) Franchisor's Purchase Option - If this Agreement expires or is terminated for any reason (other than Franchisor's fault), Franchisor has the option, upon thirty (30) days' written notice from the date of expiration or termination, to purchase from Franchisee or any affiliate, as applicable, all the tangible and intangible assets relating to the Franchised Restaurant, including the Franchised Restaurant premises if owned by Franchisee or an affiliate (excluding any unsalable inventory, cash, short-term investments and accounts receivable) (collectively, the "Purchased Assets") and to take an assignment of Franchisee's lease for (1) the Franchised Restaurant premises (or, if an assignment is prohibited, a sublease for the full remaining term under the same provisions as the lease) and (2) any other tangible leased assets used in operating the Franchised Restaurant. If the landlord respecting the lease for the Franchised Restaurant premises is your affiliate (controlling, controlled by or under common control with Franchisee) Franchisor will have the right to assume the lease on terms generally consistent with then-current market rates for space in the immediate area surrounding the Franchised Restaurant location. Franchisor may assign to a third party this option to purchase and assignment of leases separate and apart from the remainder of this Agreement.

The purchase price for the Franchised Restaurant will be the fair market value of the Purchased Assets; provided that: (1) Franchisor may exclude from the Purchased Assets any products or other items that were not acquired in compliance with this Agreement; and (2) Franchisor may exclude from fair market value any provision for goodwill or similar value attributable to intangible property (such as the Names and Marks and any confidential information). If the parties cannot agree on fair market value within a reasonable time, Franchisor may designate an independent appraiser to determine the fair market value of the Purchased Assets. The determination of such appraiser will be binding on the parties hereto, and the costs of such appraisal will be divided equally between the parties. The purchase price, as determined above, will be paid in cash at the closing of the purchase, which will occur within a reasonable time, not to exceed sixty (60) days, after the fair market value is determined. At the closing, Franchisee, or its affiliate, as applicable, will deliver documents transferring good and marketable title to the Purchased Assets, free and clear of all liens, encumbrances and liabilities to Franchisor or its designee and such other documents Franchisor may reasonably request to permit it to operate the Franchised Restaurant without interruption. Franchisor may set off against and reduce the purchase price by all amounts owed by Franchisee to Franchisor or any of its affiliates. If Franchisor exercises its option to purchase the Franchised Restaurant, it may, pending the closing,

appoint a manager to maintain its operations. If Franchisor assumes the lease for the Franchised Restaurant under this Section, Franchisee will pay, remove or satisfy any liens or other encumbrances on its leasehold interest and will pay in full all amounts due the lessor under the lease existing at or prior to assumption. Franchisor is not liable for any obligation Franchisee incurs before the date Franchisor assumes the lease.

(b) Right of First Refusal - If, at any time during the term of this Agreement, Franchisee receives a bona fide offer to purchase or lease the Franchised Business, including the real estate underlying the Franchised Restaurant, the Franchised Restaurant or any portion of the Franchised Business, or Franchisee or any owner of Franchisee receives an offer to purchase any interest in Franchisee, either directly or indirectly, which offer Franchisee or such owner is willing to accept, Franchisee shall communicate in writing to Franchisor the full terms of the offer and the name of the offeror. Franchisor may elect to purchase or lease the business, the real estate or the interest, as applicable, on the terms set forth in the offer. If Franchisor elects to exercise such option, it shall give Franchisee written notice of the election within thirty (30) days after Franchisor receives Franchisee's communication of the offer. If Franchisor fails to give written notice of election within thirty (30) days, Franchisee or the owner, as the case may be, may sell or lease to the offeror on the terms offered, subject to the provisions relating to assignment. The sale or lease must, however, be completed within sixty (60) days of the termination of the thirty (30) day period during which Franchisor may give written notice of election to purchase or lease; otherwise, an additional notice must be given to Franchisor and an additional option period must expire prior to any such transfer. If Franchisor elects to exercise its rights hereunder, it shall have the right to substitute equivalent cash for any noncash consideration included in the bona fide offer and Franchisor and Franchisee or Franchisee's owner, as the case maybe, will use their best efforts to complete the transaction within sixty (60) days from the date of Franchisor's notice of election to exercise its rights hereunder. The failure of Franchisor to exercise its rights under this Section 19(b) shall not affect Franchisor's rights to consent to an assignment as set forth in Section 18 above.

20.) PRE-TERMINATION OPTIONS OF FRANCHISOR

(a) Rights in Addition to Termination - Prior to the termination of this Agreement, if Franchisee fails to pay any amounts owed to Franchisor or its affiliates or fails to comply with any term of this Agreement or any other agreement between Franchisor and Franchisee or an affiliate of Franchisor and Franchisee, then in addition to any right Franchisor may have to terminate this Agreement or to bring a claim for damages, Franchisor shall have the option to:

(i) Remove any listing of the Franchised Business from any Franchisor Identified Social Media Presence;

- (ii) Prohibit Franchisee from attending any meetings or seminars held or sponsored by Franchisor or taking place on the premises of Franchisor; and
 - (iii) Suspend the provision of any or all of the services provided by Franchisor to Franchisee hereunder.
- (b) Continuation of Franchisor Options - Franchisor's actions, as outlined in this Section 20, may continue until Franchisee has brought its accounts current, cured any default, and complied with Franchisor's requirements, and Franchisor has acknowledged the same in writing. The taking of any of the actions permitted in this Section shall not suspend or release Franchisee from any obligation that would otherwise be owed to Franchisor or its affiliates under the terms of this Agreement or otherwise nor shall Franchisee assert that the taking of any such actions shall act as an actual or constructive termination of this Agreement.

21.) TERMINATION

- (a) By Franchisor - In addition to Franchisor's other termination rights in this Agreement, Franchisor may terminate this Agreement effective immediately upon receipt by Franchisee of notice of termination, if Franchisee:
- (i) Loses a license required by applicable law to operate the Franchised Business, including the loss of any liquor license;
 - (ii) Loses the right to occupy the Franchised Restaurant's premises;
 - (iii) Voluntarily abandons the franchise relationship;
 - (iv) Is convicted in a court of competent jurisdiction of an offense directly related to the business conducted pursuant to this Agreement;
 - (v) Fails to cure a default under this Agreement which materially impairs the goodwill associated with the Names and Marks after Franchisee has received written notice to cure at least twenty-four (24) hours in advance of the notice of termination;
 - (vi) Makes an assignment for the benefit of creditors or an admission of its inability to pay its obligations as they become due;
 - (vii) Files a voluntary petition in bankruptcy or any pleading seeking any reorganization, arrangement, composition, adjustment, liquidation, dissolution or similar relief under any law, admits or fails to contest the material allegations of any such pleading filed against it, or is adjudicated a bankrupt or insolvent;

- (viii) Fails to comply with any federal, state, or local law or regulation applicable to the operation of the Franchised Business, including those laws or regulations governing alcohol sales, safety and/or sanitation;
 - (ix) Makes an unauthorized assignment or transfer of this Agreement, the Franchised Business, including the Franchised Restaurant or underlying real estate, or the Franchise;
 - (x) Submits to Franchisor two (2) or more sales reports, financial statements, other information or supporting records in any period of twelve (12) consecutive months, which understates by two percent (2%) or more the Gross Revenues of the Franchised Business, or otherwise materially distorts any other material information;
 - (xi) Consistently fails to submit when due sales reports or financial statements to Franchisor;
 - (xii) Fails to pay when due Royalty Fees, Brand Fund Contributions, or other amounts due to Franchisor and such failure continues for ten (10) days after notice to Franchisee;
 - (xiii) Consistently fails to remit when due payments to suppliers or other creditors of the Franchised Business, and such failure continues for ten (10) days after notice to Franchisee;
 - (xiv) Has made material misrepresentations on its application for the Franchise;
 - (xv) Is in breach of any other agreement with Franchisor or any of its affiliates and such failure continues for thirty (30) days after notice to Franchisee;
or
 - (xvi) Otherwise materially breaches this Agreement or fails to comply with any provision of this Agreement or any specification, standard or operating procedure prescribed by Franchisor and does not correct such failure within thirty (30) days after notice to Franchisee.
- (b) Compliance with Applicable Law - The foregoing notwithstanding, to the extent that the provisions of this Agreement provide for periods of notice less than those required by applicable law, or provide for termination, cancellation, nonrenewal or the like other than in accordance with applicable law, such provisions shall, to the extent such are not in accordance with applicable law, be superseded by said law, and Franchisor shall comply with applicable law in connection with each of these matters.

(c) Actions Upon Expiration or Termination - Franchisee agrees, upon termination or assignment of the Franchise:

- (i) To immediately return to Franchisor all copies of all Confidential Manual(s) that have been loaned to it by Franchisor and any material marked as property of Franchisor or that is deemed as confidential hereunder;
- (ii) To immediately pay to Franchisor such Royalty Fees, Brand Fund Contributions, and other amounts as have or will thereafter become due hereunder and are then unpaid including amounts due for supplies, products and services supplied by Franchisor;
- (iii) Within five (5) business days following the assignment or termination of the Franchise, to take such action as may be required to properly cancel all assumed name or equivalent registrations relating to the use of the Names and Marks, and notify the telephone company, any domain name registrar, any internet service provider, and all listing agencies of the termination or expiration of Franchisee's right to use any domain names, profiles, accounts, user names, telephone numbers and classified and other directory listings associated with any Franchisor Identified Social Media Presence, or that include any portion of the Names and Marks, and authorize the telephone company, domain name registrars, internet service providers, and listing agencies to transfer to Franchisor all such telephone numbers, registrations, profiles, accounts, and directory listings, along with access thereto. Franchisee acknowledges that, as between Franchisor and Franchisee, Franchisor has the sole right to and interest in all telephone numbers, directory listings, domain names profiles, user names, and accounts associated with the Names and Marks, or any word, phrase or symbol confusingly similar to any of the Names and Marks, including any Franchisor Identified Social Media Presence, as well as any content thereon. Franchisee authorizes Franchisor, and appoints Franchisor its attorney-in-fact, to direct the telephone company, domain name registrars, internet service providers, and all listing agencies to transfer telephone numbers, domain names, accounts and listings to Franchisor, as well as provide access to Franchisor to any such account or registration. Franchisee shall provide any assistance reasonably requested by Franchisor to effect any changes or transfers to Franchisor of any of the foregoing;
- (iv) To not indicate directly or indirectly, in any manner, that it is or ever was affiliated with Franchisor in any capacity, identify itself or any business as a member of the Franchisor's system, or as otherwise associated with Franchisor, or use, in any manner or for any purpose, any of the System of Operation, Confidential Manual(s), other confidential information, concepts and methods of promotion, or Names and Marks, or any other indicia of a business operated under the Names and Marks; and

- (v) To immediately cause all signs using the Names and Marks to be removed. If Franchisee fails to remove such signage, Franchisor shall be entitled to remove and destroy the signage, without prior notice to Franchisee, and Franchisee shall be obligated to reimburse Franchisor for all costs associated with such removal and destruction.
- (d) Survival of Provisions - All obligations of Franchisor and Franchisee that expressly or by their nature survive the termination or assignment of the Franchise, including the non-competition, confidentiality and indemnification provisions herein, shall continue in full force and effect subsequent to and notwithstanding the termination of this Agreement until they are satisfied in full or by their nature expire.
- (e) Communication with Third Parties - After Franchisor provides Franchisee with notice of any default hereunder, Franchisor can notify any third parties, including any lenders or suppliers, of the default and communicate with such third parties regarding Franchisee, the Franchised Business, including the Franchised Restaurant and its operations.
- (f) Franchisee Termination Right - Franchisee may terminate this Agreement and the Franchise granted hereunder effective ten (10) days after delivery to Franchisor of notice of termination, if Franchisee is in compliance with this Agreement and Franchisor materially breaches this Agreement and fails to cure the breach within thirty (30) days after written notice of the breach is delivered to Franchisor.

22.) ENFORCEMENT

- (a) Injunctive Relief; Attorneys' Fees - Either party may apply for injunctive or other equitable relief to: (i) enforce its right to terminate this Agreement for the causes in Section 21; and (ii) prevent or remedy a breach of this Agreement if such breach could materially impair the goodwill of such party's business, including to enforce the obligations of a party to be performed following the termination or assignment of this Agreement and enforcement of the non-competition and confidentiality provisions of this Agreement. Each party shall be entitled to the entry of temporary restraining orders and temporary and permanent injunctions enforcing its aforementioned rights. If Franchisor secures any such injunction, or any other relief against Franchisee, or is successful in defending a claim brought against it by Franchisee, Franchisee shall pay Franchisor an amount equal to the aggregate of Franchisor's costs of obtaining such relief and defending such claim, including, reasonable attorneys' fees, costs of investigation and proof of facts, court costs, other litigation expenses and travel and living expenses.
- (b) Mediation - Except with respect to matters for which a party believes it necessary to seek injunctive or equitable relief, Franchisee and Franchisor shall be required to enter into mediation of all disputes involving this Agreement, or

any other aspect of the relationship between them, for a minimum of four (4) hours, prior to the initiation of any action or proceeding against the other.

- (i) Upon written notice by either party to the other of the initiating party's desire to mediate, the party receiving the notice shall select an independent entity that regularly provides mediation services to franchisors and franchisees to serve as mediator in the proceeding. If the party receiving the notice of intent to mediate does not provide the name of such an organization within ten (10) business days from the date the notice of intention to mediate is received, then the other party may forego mediation of the issue(s) and commence legal action or, at its option, make the selection of the organization to provide mediation services. If one party selects an organization that is unwilling to serve as mediator or does not meet the requirements of this Section 22(b)(i), then the other party may select the organization. Once the organization is designated and agrees to accept appointment as mediator, the organization shall be directed to schedule a mediation proceeding at a time mutually convenient to Franchisor and Franchisee. The mediation shall be held within thirty (30) days following receipt by the mediation organization of notification that its services are requested. If the parties cannot agree on a date for mediation, then the mediation organization shall select a date it believes is reasonable for the parties, given all of the alleged conflicts in dates. The actual mediator shall either be a retired judge, or a person who has had at least ten (10) years of experience as either franchisee or franchisor (or as an officer of such an entity), or in franchise law.
- (ii) The parties shall equally share the cost of the mediator. The mediator shall select the location for the mediation, giving due consideration to the location that will minimize the total expenses of the mediation; provided, however, that unless agreed to by both Franchisor and Franchisee, the mediation shall be held in a metropolitan area having a population of at least two hundred fifty thousand (250,000) persons that is not located within two hundred (200) miles of the Franchised Restaurant or the principal office of Franchisor.
- (iii) Except with respect to matters for which a party is permitted to seek injunctive or equitable relief, if either party initiates litigation without complying with their obligation to mediate in accordance with this Section 22(b) (unless the other party has failed to respond on a timely basis or has indicated it will not engage in mediation in accordance with the provisions of this Section 22(b)), then upon petition of any party named as a defendant in such litigation, the court shall dismiss the action without prejudice, and award attorneys' fees and costs to the party seeking dismissal in an amount equal to such party's attorneys' fees and costs incurred in seeking dismissal. If the court refuses for any reason to dismiss the action, then regardless of the outcome of such action, or of any award given by the court in such action, the party initiating the action shall

be responsible for all attorneys' fees and costs incurred throughout the action by the other party as damages for failing to comply with the provisions of this Section 22(b).

(c) Continued Performance - Unless this Agreement is terminated in accordance with the provisions of Section 21 during the pendency of any litigation, Franchisee and Franchisor shall each perform their obligations under this Agreement.

(d) Waiver of Certain Damages - Except for Franchisee's obligation to indemnify Franchisor and claims for unauthorized use of the Names and Marks or any confidential information of Franchisor, Franchisor and Franchisee (and Franchisee's owners and guarantors) hereby waive, to the fullest extent permitted by law, any right to, or claim for, any punitive, consequential, special or exemplary damages against the other and any affiliates, owners, employees or agents of the other and agree that in the event of a dispute between or among any of them, each shall be limited to the recovery of any actual damages sustained by it and any equitable relief to which it might be entitled.

(e) Venue - Franchisor and Franchisee (and Franchisee's owners and guarantors) each agree that if litigation is commenced, the sole forum for resolving disputes under this Agreement or any aspect of the relationship between the parties shall be the state and federal courts of Wisconsin. Such actions shall be exclusively venued in the Milwaukee County Circuit Court or the United States Federal District Court for the Eastern District of Wisconsin, as applicable, and the parties waive any objections they may have to either the jurisdiction or the venue in such courts and hereby consent to personal jurisdiction and venue in such courts. The only exception to the foregoing shall be: (1) if the courts of Wisconsin would have no jurisdiction over a named party in the litigation, and such party's involvement in the litigation is integral to the underlying claims and not principally for the purpose of circumventing the intent of the parties to name Wisconsin as the exclusive venue for any actions, then the action may be venued in any court having jurisdiction over all the parties and a significant nexus to the parties; and (2) to the extent that either party believes it is necessary to seek injunctive relief against the other, the party seeking relief may initiate that action in the county in which the other party has its principal office (which in the case of an action against Franchisee, shall be the county in which Franchisee is domiciled, or the county in which the Franchised Restaurant is located).

(f) WAIVER OF JURY TRIAL - TO THE EXTENT EITHER PARTY MAY PROCEED BY JUDICIAL PROCESS, EACH OF THE PARTIES WAIVES ITS RIGHT TO A JURY TRIAL WITH RESPECT TO THE ENFORCEMENT OR INTERPRETATION OF THIS AGREEMENT, AND ALLEGATIONS OF STATE OR FEDERAL STATUTORY VIOLATIONS, FRAUD, MISREPRESENTATION, OR OTHER CAUSES OF ACTION, IN CONNECTION WITH ANY LEGAL ACTION.

(g) Waiver of Collateral Estoppel - The parties agree they should each be able to settle, mediate, litigate, or compromise disputes in which they are involved with third parties, without having the disposition of such disputes directly affect the contract or relationship between Franchisor and Franchisee. Franchisor and Franchisee therefore each agree that a decision of an arbitrator or court of law in a dispute to which one of them is not a party shall not in any manner prevent the person that was a party to such action from making similar arguments, or taking similar positions, in any subsequent action between Franchisor and Franchisee. The parties therefore waive the right to assert that principles of collateral estoppel prevent either of them from raising any claim or defense in an action between them as a result of such party having lost a similar claim or defense in another action.

(h) Waiver of Class Action Rights - Franchisee waives its right to bring, join or participate in, and is barred from bringing, joining or participating in, any class action suit. The parties agree that any proceeding shall be conducted on an individual, not a class-wide, basis and that any proceeding between Franchisor and Franchisee (or any owner or guarantor of Franchisee) may not be consolidated with another proceeding between Franchisor and any other entity or person. Franchisee further agrees that the foregoing shall not limit the ability of Franchisee to obtain a remedy for any particular claim that it may assert against Franchisor.

23.) INDEPENDENT CONTRACTORS/INDEMNIFICATION

(a) Independent Contractor - Franchisee is a franchisee of Franchisor. Franchisee shall be conspicuously identified at the premises of the Franchised Business, and in all dealings with customers, prospective customers, and others, as a franchisee. Franchisee shall not represent or imply to any person that this Agreement authorizes Franchisee to act as agent for Franchisor. Neither Franchisor nor Franchisee shall be obligated by any agreement, representation or warranty made by the other, nor shall Franchisor be obligated for damages to any person or property directly or indirectly arising out of the operation of the Franchised Business, or caused by Franchisee's negligence, willful action or failure to act.

(b) Evidence of Relationship - Franchisee and its employees shall hold themselves out to the public as an independent contractor by, without limitation:

- (i) clearly identifying itself in all dealings with third parties as a franchised, independently owned and operated business, including on all public records, checks, stationery, enrollment forms, receipts, marketing materials, envelopes, letterhead, business cards, employment applications or other employment documents, invoices and other communications, electronic or otherwise;
- (ii) displaying a sign in the entrance of the Franchised Restaurant so as to be clearly visible to the general public indicating that the Franchised Restaurant is independently owned and operated as a franchised business; and
- (iii) maintaining a notice on the employee bulletin board clearly visible to employees

at the Franchised Restaurant, identifying the correct name of their employer and clearly stating that neither Franchisor nor any of its affiliates is the employer and if required by Franchisor, obtaining from each of its employees an acknowledgment acknowledging that their employer is Franchisee and not Franchisor.

(c) Franchisee Indemnification - Franchisee agrees to indemnify Franchisor against, and to reimburse Franchisor for, all obligations and damages for which Franchisor is liable and for all costs reasonably incurred by Franchisor in the defense of any such claim brought against it, or in any such action in which it is named as a party, arising out of any act or omission of Franchisee, or as a result of any activities occurring at, by or through the Franchised Business, including the Franchised Restaurant and the sale of any of the foregoing. Such indemnification shall include, reasonable attorneys' fees, costs of investigation or proof of facts, court costs, other litigation expenses and travel and living expenses (collectively, "Costs"). Franchisor shall have the right to defend any such claim against it.

(d) Franchisor Indemnification - Franchisor agrees to indemnify Franchisee against, and to reimburse Franchisee for, any obligation or liability for damages payable to persons other than Franchisee or its owners attributable to agreements, representations or warranties of Franchisor, or caused by the negligent or willful action of Franchisor, and for Costs reasonably incurred by Franchisee in the defense of any claim brought against it as a result of the foregoing or in any such action in which it is named as a party. Franchisor shall have the right to participate in and to control any litigation or proceeding which might result in liability of or expense to Franchisee subject to indemnification by Franchisor.

24.) FRANCHISEE REPRESENTATIONS

To induce Franchisor to accept Franchisee's application for a Franchise and to execute this Agreement, Franchisee hereby represents and warrants to Franchisor as follows:

(a) Standards for Service - Franchisee recognizes and acknowledges the importance of maintaining Franchisor's standards for service, and further recognizes and acknowledges the importance of following the System of Operation.

(b) Disclosure Document - Franchisee has received a copy of Franchisor's Franchise Disclosure Document, together with copies of all contracts relating to the sale of the Franchise, at least fourteen (14) days prior to the execution of this Agreement and at least fourteen (14) days prior to its payment of any money to Franchisor. Franchisee has read and understands all such documents.

(c) Business Risks - Franchisee has the entire control and direction of the Franchised Business, subject only to the conditions and covenants established

by this Agreement. Franchisee further acknowledges that the business to be operated under this Agreement involves business risks, and that Franchisee's success shall be largely determined by its own skill and efforts as an independent business person. Franchisee further acknowledges that if it fails at any tasks that are vital to the operation of the Franchised Business, the Franchised Business will fail and Franchisee shall be solely responsible for any such failure.

(d) Franchisee Advisors - Franchisee has been advised to consult with its own advisors with respect to the legal, financial and other aspects of this Agreement, and that Franchisee has had the opportunity to consult with such advisors and also has had the opportunity to independently investigate the opportunity offered under this Agreement; and

(e) Independent Investigation - Franchisee has entered into this Agreement after making an independent investigation of Franchisor's operations and not upon any representation as to profits which Franchisee might be expected to realize, nor has anyone made any other representation to induce Franchisee to accept the Franchise granted hereunder and to execute this Agreement, which is not expressly set forth herein.

25.) MISCELLANEOUS

(a) Governing Law - Except to the extent governed by the United States Trademark Act of 1946 (Lanham Act; 15 U.S.C. § 1050 et seq.), as amended, this Agreement shall be governed by the laws of the State of Wisconsin. The parties agree, however, that if the Franchisee is not a resident of Wisconsin, or if the Franchisee is a corporation, partnership or limited liability company and is not organized or incorporated under Wisconsin law and in either case the Franchised Restaurant is not located in Wisconsin, then the parties hereby waive the provisions of the Wisconsin Franchise Investment Law and the Wisconsin Fair Dealership Law and any regulations promulgated under either of such laws. If the Wisconsin Franchise Investment Law does not apply to the Franchise relationship created hereby, but there is a statute in the state in which the Franchised Restaurant is situated that specifically governs relationships between franchisees and franchisors and that law would otherwise apply, then that particular law shall apply in lieu of the foregoing.

(b) Binding Effect - This Agreement is binding upon the parties hereto, their respective heirs, assigns and successors in interest.

(c) Entire Agreement - The introduction, Rider and Statement of Ownership and Management hereto are a part of this Agreement, which constitutes the entire agreement of the parties related to the Franchise, and at the time of this Agreement, there are no other oral or written understandings or agreements between Franchisor and Franchisee relating to the subject matter of this Agreement, other than any Guarantees; provided, however, nothing in this or in

any related agreement is intended to disclaim the representations Franchisor made in the Franchise Disclosure Document furnished to Franchisee.

(d) Headings; References; Liability - The Section headings are for convenience only and do not define, limit or construe the contents thereof. The term “Franchisee” as used herein is applicable to one (1) or more persons, a corporation, limited liability company, or a partnership, as the case may be, and the singular usage includes the plural and the masculine and feminine usages include the other. If there is more than one signatory as “Franchisee”, all of Franchisee’s obligations hereunder and under any other agreement with Franchisor or its affiliates shall be joint and several in each and every respect and fully enforceable against each signatory. References in this Agreement to the termination of this Agreement, the termination of the “Term of the Franchise,” or the termination of “the Franchise” shall be deemed to include the expiration of this Agreement without renewal.

(e) Construction - Franchisor and Franchisee agree that if any provision of this Agreement is capable of two (2) constructions, one of which would render the provision illegal or otherwise voidable or unenforceable and the other of which would render the provision valid and enforceable, the provision shall have the meaning which renders it valid and enforceable. The language of each provision of this Agreement shall be construed simply according to its fair meaning and not strictly against Franchisor or Franchisee.

(f) Invalid Provisions - It is the desire and intent of Franchisor and Franchisee that the provisions of this Agreement be enforced to the fullest extent possible under the laws and public policies applied in each jurisdiction in which enforcement is sought. Accordingly, if any provision of this Agreement is adjudicated to be invalid or unenforceable, such adjudication is to apply only with respect to the operation of such provision in the particular jurisdiction in which such adjudication is made. All provisions of this Agreement are severable and this Agreement shall be interpreted and enforced as if all completely invalid and unenforceable provisions were not contained herein, and partially valid and enforceable provisions shall be enforced to the extent valid and enforceable. Franchisor and Franchisee shall substitute a valid and enforceable provision for any specification, standard, operating procedure, rule or other obligation of Franchisee or Franchisor which is determined to be invalid or unenforceable and is not waived by the other.

(g) Waiver - Franchisor and Franchisee, by written instrument signed by both parties, may unilaterally waive any obligation of or restriction upon the other under this Agreement. No acceptance by Franchisor of any payment by Franchisee and no failure, refusal or neglect of Franchisor or Franchisee to exercise any right under this Agreement or to insist upon full compliance by the other with its obligations hereunder or with any specification, standard or operating procedure shall constitute a waiver of any provision of this Agreement or any specification, standard or operating procedure; provided, however, if a

party fails to notify the other in writing of an alleged misrepresentation, violation of law, deficiency, or breach of this Agreement within one (1) year from the date such party has knowledge of, believes, determines or is of the opinion that there has been a misrepresentation, violation of law, deficiency or breach by the other party, then the alleged misrepresentation, violation of law, deficiency or breach will be considered waived, but such waiver of any prior deficiency or breach of any provision of this Agreement shall not affect the obligation of the party to comply with the obligation or provision in the future; provided, however, that: (i) this waiver will not apply to Franchisee's underreporting of Gross Revenues, or under payment of any fees Franchisee owes Franchisor that are tied to the amount of Gross Revenues; and (ii) the foregoing shall not otherwise extend or lengthen any statute of limitations provided by applicable law.

(h) Remedies Cumulative - All remedies provided to Franchisor under this Agreement are cumulative. No exercise or enforcement by Franchisor or Franchisee of any right or remedy hereunder shall preclude the exercise or enforcement by Franchisor or Franchisee of any other right or remedy hereunder or which Franchisor or Franchisee is entitled by law to enforce.

(i) Modifications - No modification of this Agreement shall be valid unless such modification is in writing and signed by Franchisee and Franchisor; provided, however, Franchisor may unilaterally modify or otherwise change the Confidential Manual(s).

(j) Notices - All written notices permitted or required to be delivered by the provisions of this Agreement shall be deemed so delivered: (i) when delivered by hand; (ii) three (3) days after placed in the United States mail by registered or certified mail, return receipt requested, postage prepaid; or (iii) one (1) business day after placed in the hands of an overnight courier, for next day delivery, and in the case of delivery under clauses (ii) or (iii), addressed to the party to be notified at its most current principal business address of which the notifying party has been notified.

(k) Patriot Act Representations - Franchisee represents and warrants that to its actual and constructive knowledge: (i) neither it (including its directors, officers and managers), nor any of its affiliates, or any funding source for the Franchised Business, are identified on the list at the United States Treasury's Office of Foreign Assets Control; (ii) neither it nor any of its affiliates is directly or indirectly owned or controlled by the government of any country that is subject to an embargo imposed by the United States government; (iii) neither it nor any of its affiliates is acting on behalf of the government of, or is involved in business arrangements or other transactions with, any country that is subject to such an embargo; (iv) neither it nor any of its affiliates are on the U.S. Department of Commerce Denied Persons, Entities and Unverified Lists, the U.S. Department of State's Debarred Lists, or on the U.S. Department of Treasury's Lists of Specialty Designated Nationals, Specialty Designated

Narcotics Traffickers or Specialty Designated Terrorists, as such lists may be amended from time to time (collectively, the Lists); (v) neither it nor any of its affiliates, during the term of this Agreement, will be on any of the Lists; and (vi) during the term of this Agreement, neither it nor any of its affiliates will sell products, goods or services to, or otherwise enter into a business arrangement with, any person or entity on any of the Lists. Franchisee agrees to notify Franchisor in writing immediately upon the occurrence of any act or event that would render any of these representations incorrect.

(l) Variations - Because complete and detailed uniformity under many varying conditions may not be possible or practical, Franchisor specifically reserves the right and privilege, at its sole discretion and as it may deem in the best interests of all concerned in any specific instance, to vary standards for any franchise owner based upon the peculiarities of a particular site or circumstance, density of population, business potential, population of trade area, existing business practices or any other condition which Franchisor deems to be of importance to the successful operation of such franchise owner's business. Franchisee shall not complain on account of any variation from standard specifications and practices granted to any other franchise owner and shall not be entitled to require Franchisor to grant to Franchisee a like or similar variation thereof.

(m) Exercise of Business Judgment - Except as otherwise expressly stated in this Agreement, any consent or approval required to be obtained from Franchisor, or decision to be made by Franchisor, may be granted or made by Franchisor in its sole and exclusive business judgment, which may take into account Franchisor's assessment of, among other things, the long-term interests of Franchisor, the System of Operation and the Names and Marks, without regard to its effect on any individual franchisee or location. Franchisor's judgment shall prevail even in cases where other alternatives may be reasonable, so long as Franchisor is intending to benefit or is acting in a way that could benefit the System of Operation, enhance the value of the Names and Marks, increase customer satisfaction, or minimize possible consumer, brand or location confusion. If Franchisor's activities or decisions are supported by its business judgment, no court or judge or trier of fact, or any other person reviewing those activities or decisions may substitute his, her or its judgment for Franchisor's judgment, in recognition of the fact that the long-term goals of a franchise system, and the long-term interests of both Franchisor and its franchisees taken together, require that Franchisor have the latitude to exercise its business judgment in administering, managing and overseeing the System of Operation.

[Remainder of page intentionally left blank]

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

If corporation, limited liability company, or partnership:

FRANCHISEE:
[INSERT FRANCHISEE NAME]

FRANCHISOR:
BRUNCH IT UP LLC

By: _____
Name: _____
Title: _____

By: _____
Title: _____
Date: _____

If individual:
FRANCHISEE:

Name: _____

[THIS AGREEMENT CONTINUES WITH A RIDER AND STATEMENT OF OWNERSHIP AND MANAGEMENT ATTACHMENTS, WHICH ARE A PART OF THIS AGREEMENT.]

RIDER TO BRUNCH FRANCHISE AGREEMENT

THIS RIDER is a part of the Franchise Agreement dated the _____ day of _____, 20__, by and between BRUNCH IT UP LLC (“Franchisor”) and _____ (“Franchisee”).

1.) The Search Area the Franchised Restaurant shall be located in is: _____; provided, however, the Franchised Restaurant may not be located in the designated territory of another Brunch franchisee.

2.) The Designated Territory for the Franchised Restaurant shall be: _____.

3.) The address of the Franchised Restaurant is: _____.

IN WITNESS WHEREOF, the parties have executed this Rider as of the date indicated above.

If corporation, limited liability company, or partnership:
FRANCHISEE:
[INSERT FRANCHISEE NAME]

FRANCHISOR:
BRUNCH IT UP LLC

By: _____
Name: _____
Title: _____

By: _____
Title: _____

If individual:
FRANCHISEE:

Name: _____

GUARANTY

IN CONSIDERATION of the **[INSERT ONE/DELETE REMAINING ONE]** [grant by Brunch It Up LLC (“Franchisor”) of a Brunch franchise to the party named as Franchisee in the Franchise Agreement (the “Franchisee”) to which this Guaranty is attached (the “Franchise Agreement”)] **OR** [consent by Brunch It Up LLC (“Franchisor”) to the assignment of the Franchise Agreement to which this Guaranty is attached (the “Franchise Agreement”) to the assignee and party named as the Franchisee in the Franchise Agreement (Franchisee)], and for other good and valuable consideration, receipt of which is hereby acknowledged, the undersigned hereby guarantee to Franchisor and to Franchisor’s successors and assigns: (a) the payment of all amounts to be paid to Franchisor or its affiliates by the Franchisee, whether such amounts are provided for in the Franchise Agreement or under any other agreement between Franchisee and Franchisor or an affiliate of Franchisor; and (b) the performance by Franchisee of all its obligations under all such agreements, and under all manuals and operating procedures of Franchisor’s business system. The undersigned further specifically agree to remain individually bound by all covenants, obligations and commitments of Franchisee contained in the Franchise Agreement and such other agreements to the same extent as if each of the undersigned had individually been named as Franchisee in the Franchise Agreement and such other agreements, and the undersigned had individually executed the Franchise Agreement and such other agreements.

The undersigned understand and agree that any modification of the Franchise Agreement or any other agreement, including any addendum or addenda 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 Agreement or any other agreement, including any addendum or addenda thereto, shall not in any way release the undersigned 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 the undersigned of any such modification, waiver, extension or forbearance under the terms thereof being hereby waived. The undersigned further understand and agree that no bankruptcy or reorganization of Franchisee shall release or otherwise affect the obligations of the undersigned to pay all fees provided for in all agreements between Franchisee and Franchisor or its affiliates, or otherwise owing to Franchisor or its affiliates, and to perform all the provisions of such agreements, as well as all manuals and operating procedures of Franchisor’s business system, nor does the same release the undersigned from being individually bound to perform all covenants, obligations, and commitments of Franchisee contained in the Franchise Agreement or any other agreement to the same extent as if each of the undersigned had individually executed the Franchise Agreement and such other agreements.

This Guaranty shall be enforceable upon ten (10) days’ written notice by Franchisor to any of the undersigned of any default by Franchisee of any of its covenants under the terms of the Franchise Agreement and addendum or addenda thereto.

The undersigned 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

Agreement and any other agreement, in whole or in part, that Franchisor or its assignees may make.

This Guaranty shall be a continuing Guaranty and may not be revoked without the prior written consent of Franchisor. This Guaranty shall apply to all agreements referenced in this Guaranty, to the renewal of all such agreements, and to any successor agreements thereto. The obligations of the undersigned hereunder in each and every respect are joint and several with one another as well as any other guarantors of Franchisee, whether such guaranties are entered into prior to or after the date hereof.

Guarantors:

Dated: _____

Dated: _____

Dated: _____

Spouses:

Dated: _____

Dated: _____

Dated: _____

STATEMENT OF OWNERSHIP AND MANAGEMENT

The undersigned (“Franchisee”) represents and warrants to Brunch It Up LLC (“Franchisor”) that as of the date set forth below all of the information below is true and complete:

Franchisee: _____
State of Formation/Residency: _____

Form of Franchisee: Corporation
(select one) Limited liability company
 Partnership
 Individual

Franchise Director(s): _____

Ownership <i>(Each owner must sign a Guaranty)</i>		
NAME OF OWNER	NO. OF SHARES/UNITS OWNED	OWNERSHIP PERCENTAGE
		%
		%
		%
		%

Management <i>(List each individual holding a position as board-member or officer)</i>	
NAME OF INDIVIDUAL	ROLE/TITLE

Franchisee acknowledges that this Statement of Ownership and Management applies to the Brunch Franchise Agreement. Franchisee shall immediately notify Franchisor upon any

change in the information contained in this Statement of Ownership and Management, and upon request of Franchisor, complete an updated or new Statement of Ownership and Management and Guaranty executed by all owners of Franchisee.

If corporation, limited liability company, or partnership:

FRANCHISEE:

Date: _____

By: _____

Name: _____

Title: _____

If individual:

FRANCHISEE:

Date: _____

Name: _____

**FRANCHISE ASSIGNMENT, SALE AND TRANSFER
TO ENTITY OWNED BY ORIGINAL FRANCHISEE**

A. Assignment and Sale

Pursuant to Section 18(c)(i) of the Brunch Franchise Agreement dated _____, by and between the undersigned and Brunch It Up LLC (the “Agreement”), I/we hereby transfer, subject to approval by Brunch It Up LLC (the “Company”), all my/our rights, in the Agreement, effective _____, to the transferee named below. I/we understand that this transfer does not relieve me/us of my/our obligations under the Agreement. To induce the Company to approve this assignment:

(01) I/we agree to subordinate any payment due to me/us from the Transferee (as defined below) to any other obligation the Transferee may have to the Company. If the Company notifies me/us of our default by the Transferee of its obligations to the Company under the Agreement, I/we will not accept any further amounts that may be owed to me/us by the Transferee until the Company has confirmed, in writing, that such defaults have been cured.

(02) I/we release the Company and its officers, directors, and agents, from all actions and claims I/we may have against them arising out of their sale to me/us of the Franchise, or in connection with my/our operation of the Franchise, including, but not limited to, any claims arising under the Agreement.

(03) I/we will remain bound to all the obligations of the Franchisee contained in the Agreement to the same extent as if I/we remain the Franchisee under that Agreement.

Name of New Franchisee (“Transferee”)

Address of Transferee

City, State and Zip Code

Signature of Original Franchisee (“Transferor”)

Date

B. Acceptance of Transfer by New Franchisee

The undersigned entity hereby accepts transfer of the Agreement and agrees to be bound by all of the provisions of the Agreement and to assume all of the obligations required of Franchisee named herein.

_____ (name of new Franchisee)

By: _____ Dated: _____
Signature, Title

C. Approval of Transfer

It is hereby agreed that the transferee named above is approved and accepted as Franchisee for the Franchised Business described in the Agreement and is authorized to exercise all rights and obligations of Franchisee named in the Agreement including the right to renew the Agreement upon expiration thereof, pursuant to the terms of the Agreement.

BRUNCH IT UP LLC

Dated: _____

By: _____
Its: _____

GENERAL RELEASE
[USED IN EVENT OF TRANSFER]

In consideration of the agreement of Brunch it Up LLC (“Franchisor”) to consent to the assignment by _____ (“Franchisee”) of its Franchise Agreement dated _____ between Franchisee and Franchisor (the “Agreement”), Franchisee hereby releases and forever discharges Franchisor, and all affiliates of Franchisor, and their respective directors, officers, shareholders, 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, from the beginning of time to the date hereof, known or unknown, 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.

NOTWITHSTANDING THE FOREGOING, THIS RELEASE DOES NOT RELEASE ANY CLAIMS THE UNDERSIGNED MAY HAVE THAT MAY NOT BE RELEASED PURSUANT TO THE FRANCHISE LAWS WHERE THE UNDERSIGNED IS A RESIDENT OR WHERE THE FRANCHISED BUSINESS IS LOCATED, TO THE EXTENT REQUIRED BY APPLICABLE LAW.

Date _____

LEASE RIDER

THIS LEASE RIDER is attached to and made a part of the Lease Agreement (the "Lease") dated _____, 20____ (the "Lease Execution Date") by and between _____ ("Landlord") and _____ ("Tenant") for certain space (the "Premises") described in the Lease as being located at _____ . All capitalized terms shall have the same meanings as in the Lease unless defined otherwise in this Lease Rider. If any of the terms of this Lease Rider conflict with any of the terms of the Lease, the provisions of this Lease Rider shall prevail.

(1) Certain Rights of Franchisor -

(a) Landlord acknowledges that Tenant is a franchisee of Brunch It Up LLC ("Franchisor"), and that the restaurant to be located at the Premises is to be operated under the "Brunch" franchise system pursuant to a franchise agreement ("Franchise Agreement") between Tenant and Franchisor.

(b) Tenant and Landlord acknowledge that the Premises will be operated only as a Brunch restaurant, and that:

- (1) Upon expiration or termination of the Franchise Agreement for any reason whatsoever, the Landlord will grant Franchisor an option, for thirty (30) days thereafter, to replace Franchisee as lessee and at any time thereafter to assign its interest to Franchisor, an affiliate or another franchisee of Franchisor who would then become the lessee with the approval of lessor, which approval may not be unreasonably withheld;
- (2) Landlord agrees to furnish to Franchisor copies of any and all correspondence and notices sent to Tenant pertaining to the Lease and the Premises at the same time that such correspondence and notices are sent to Tenant. To that end, Landlord shall furnish to Franchisor, contemporaneously with that to Franchisee, written notice of any default in the Lease and the action required to cure such default. In the event of a monetary default, Landlord shall allow Franchisor thirty (30) days after receipt of such notice to escrow the funds necessary to cure such default if Franchisee fails to do so. In the event of a non-monetary default, Landlord shall allow Franchisor thirty (30) days after Franchisor's receipt of such written notice to provide lessor with a letter of undertaking to cure such default if Franchisee fails to do so. If Franchisee fails to cure either type of default, and Franchisor has escrowed the required funds, or provided the necessary undertaking, as the case may be, Landlord shall take any action necessary to remove Franchisee from the Premises and retake possession of the Premises. Landlord shall then allow Franchisor to cure the default and take possession of the Premises as lessee under the same Lease, and at any time thereafter to assign Franchisor's interest in such Lease to another franchisee of Franchisor;

- (3) Landlord shall accept Franchisor or its franchisee as a substitute under the existing terms of the Lease upon notice from Franchisor that it is exercising its option to replace Franchisee as lessee; and
- (4) Landlord acknowledges that, in all cases, Franchisee is solely responsible for all obligations, payments and liabilities accruing under the Lease unless and until Franchisor exercises its option to become substitute lessee and actually takes possession of the Premises.

(2) Rights of Franchisor to Purchase Premises - As set forth in the Franchise Agreement, the Franchisor has the right under certain circumstances to acquire all the tangible and intangible assets relating to the Franchised Restaurant, including the Franchised Restaurant premises (the "Premises"). In such case, the following provisions shall apply:

- (a) The closing on the purchase of the Premises shall occur simultaneous with the closing on the purchase of other assets from the Franchisee; and
- (b) The closing on the purchase of the Premises shall be in accordance with the standard practices then used in the county where the Premises are located.

The provisions of this paragraph shall not apply if the Landlord and the Franchisee are not affiliated in any way whatsoever.

(3) Third Party Beneficiary - Landlord and Franchisee acknowledge that Franchisor is an intended third-party beneficiary to the Lease, and as such, the Lease may not be amended so as to affect any of the provisions of this Lease Rider, or the intent of the same, without the prior written approval of Franchisor.

(4) Right to Enter Premises - Franchisor shall have the right to enter the Premises to make any modification or alteration necessary to protect the Brunch franchise system and marks or to cure any default under the Franchise Agreement or under the Lease, without being guilty of trespass or any other crime or tort. Landlord shall not be responsible for any expenses or damages arising from any such action by Franchisor. Tenant hereby releases, acquits and discharges Franchisor and Landlord, their respective subsidiaries, affiliates, successors and assigns and the officers, directors, shareholders, partners, employees, agents and representatives of each of them, from any and all claims, demands, accounts, actions and causes of action, known or unknown, vested or contingent, which any of them may have, ever had, now has, or may hereafter have by reason of any event, transaction or circumstance arising out of or relating to the exercise of Franchisor's rights pursuant to this Lease Rider.

(5) Notices - All notices sent pursuant to this Lease Rider shall be sent in the manner set forth in the Lease, and delivery of such notices shall be effective as of the times provided for in the Lease. For purposes of notice under the Lease, Franchisor's mailing address shall be 714 North Milwaukee Street, Milwaukee, Wisconsin 53202, Attn: Legal Counsel, which address may be changed by written notice to Landlord in the manner provided in the Lease.

(6) Successors and Assigns - This Lease Rider shall be binding upon and inure to the benefit of the undersigned, their legal representatives, successors and assigns. Nothing contained herein

shall, however, authorize or entitle the Franchisee to assign any of its rights or privileges under the Franchise Agreement, which rights of the Franchisee are only as are set forth in the Franchise Agreement.

(7) Entire Agreement - Insofar as the matters relating to the Landlord and the Premises are concerned, this Lease Rider sets forth the complete agreement with the Landlord and the Franchisor.

(8) Counterparts - This Lease Rider may be executed in one or more counterparts, each of which shall be deemed an original and together which shall constitute one and the same instrument.

LANDLORD:

TENANT:

BY: _____
TITLE: _____
DATE: _____

BY: _____
TITLE: _____
DATE: _____

FRANCHISOR:

BRUNCH IT UP LLC

BY: _____
TITLE: _____
DATE: _____

EXHIBIT G

**ELECTRONIC TRANSFER OF FUNDS
AUTHORIZATION**

ELECTRONIC TRANSFER OF FUNDS AUTHORIZATION

Franchisee: _____

Location: _____

Date: _____

Attention: Accounting

The undersigned hereby has entered into a Franchise Agreement with Brunch It Up LLC (the “Franchise Agreement”), and authorizes Brunch It Up LLC (“BIU”), to initiate one-time, weekly and/or monthly ACH debit and credit entries against the account of the undersigned with you in payment of amounts for ongoing royalty fees, brand fund contributions, and other amounts that become due and payable by the undersigned to BIU or any affiliate pursuant to the Franchise Agreement or any other agreement between the undersigned and BIO or any affiliate. The dollar amount to be debited per payment and credited per payment will vary.

Subject to the provisions of this letter of authorization, you are hereby directed to honor any such ACH debit and credit entry initiated by BIU.

This authorization is binding, and will remain in full force and effect until ninety (90) days prior written notice has been given to you by the undersigned. The undersigned is responsible for, and must pay on demand, all costs or charges relating to the handling of ACH debit and credit entries pursuant to this letter of authorization.

Please honor ACH debit and credit entries initiated in accordance with the terms of this letter of authorization, subject to there being sufficient funds in the undersigned’s account to cover such ACH debit and credit entries.

Sincerely yours,

Account Name

Bank Name

Customer Street Address

Branch

City State Zip Code

Bank Street Address

Customer Telephone Number

City State Zip Code

Customer’s Account Number

Bank Telephone Number

Bank’s Account Number

Bank Routing/ABA Number

EXHIBIT H

FRANCHISEE QUESTIONNAIRE

FORM OF FRANCHISE QUESTIONNAIRE

The purpose of this Certification is to determine whether any statements or promises were made to you that we have not authorized and that may be untrue, inaccurate or misleading. Please review each of the following questions and statements carefully and provide honest and complete responses to each.

1. Have you received and personally reviewed our Franchise Agreement and any attachments to it?
Yes _____ No _____

2. Have you received and personally reviewed our Franchise Disclosure Document (“FDD”)?
Yes _____ No _____

3. Did you sign a receipt for the FDD indicating the date you received it?
Yes _____ No _____

4. Have you discussed the benefits and risks of purchasing a Brunch Restaurant (the “Restaurant”) with an attorney, accountant or other professional advisor?
Yes _____ No _____

If not, do you wish to have more time to do so?
Yes _____ No _____

5. Do you understand that the success or failure of your Restaurant will depend in large part upon your skills and abilities, competition from others and other economic and business factors?
Yes _____ No _____

6. Has any employee or other person speaking on our behalf made any statement or promise concerning the revenues, profits or operating costs of a Brunch franchise other than as provided in the FDD?
Yes _____ No _____

7. Has any employee or other person speaking on our behalf made any statement or promise regarding the amount of money you may earn in operating a Brunch franchise other than as provided in the FDD?
Yes _____ No _____

8. Has any employee or other person speaking on our behalf made any statement or promise concerning the likelihood of success that you should or might expect to achieve from operating a Brunch franchise?
Yes _____ No _____

9. Has any employee or other person speaking on our behalf made any statement, promise or agreement concerning the training or support service or other assistance that we will furnish to you that is contrary to, or different from, the information contained in the FDD?

Yes _____ No _____

10. Have you paid any money to us concerning the purchase of your Brunch franchise prior to today?

Yes _____ No _____

11. If you have answered "Yes" to any one of questions 6-10, please provide a full explanation of each "Yes" answer in the following blank lines. (Attach additional pages, if necessary, and refer to them below.)

12. I signed the Franchise Agreement and Addendum (if any) on _____, 20__, and acknowledge that no Agreement or Addendum is effective until signed and dated by you.

Your responses to these questions are important to us and we will rely on them.

By signing below, you are representing that you have responded truthfully to the above questions.

FRANCHISEE APPLICANT:

Dated:

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
Wisconsin	April 24, 2023

Other states may require registration, filing, or exemption of a franchise under other laws, such as those that regulate the offer and sale of business opportunities or seller-assisted marketing plans.

RECEIPT

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

If Brunch It Up LLC offers you a franchise, it must provide this disclosure document to you 14 calendar days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale.

If Brunch It Up LLC does not deliver this disclosure document on time or if it contains a false or misleading statement, or a material omission, a violation of federal law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, DC 20580, and the appropriate state agency identified on Exhibit B.

The franchisor is Brunch It Up LLC, 714 North Milwaukee Street, Milwaukee, Wisconsin 53202. Its telephone number is 414-210-5381

The name, principal business address and telephone number of each franchise seller offering the franchise is Morgan Schnabl, 714 North Milwaukee Street, Milwaukee, Wisconsin 53202. Its telephone number is 414-210-5381.

ISSUANCE DATE: April 24, 2023

Brunch It Up LLC authorizes the respective parties identified on Exhibit B to receive service of process for us in the particular state.

I have received a Disclosure Document with an Issuance Date of April 24, 2023 that included the following Exhibits:

- EXHIBIT A: STATE SPECIFIC ADDENDA TO DISCLOSURE DOCUMENT
- EXHIBIT B: LIST OF STATE AGENCIES AND AGENTS FOR SERVICE OF PROCESS
- EXHIBIT C: TABLE OF CONTENTS OF BRAND STANDARDS MANUAL
- EXHIBIT D: LIST OF OUTLETS
- EXHIBIT E: FINANCIAL STATEMENTS
- EXHIBIT F: FRANCHISE AGREEMENT, GUARANTY, STATEMENT OF OWNERSHIP AND MANAGEMENT, GENERAL RELEASE, TRANSFER FORM, LEASE RIDER
- EXHIBIT G: ELECTRONIC TRANSFER OF FUNDS AUTHORIZATION
- EXHIBIT H: FRANCHISEE QUESTIONNAIRE

Please indicate the date on which you received this Disclosure Document, and then sign and print your name below, indicate the date you sign this receipt, and promptly return one completed copy of the Receipt to Brunch It Up LLC, 714 North Milwaukee Street, Milwaukee, Wisconsin 53202. The second copy of the Receipt is for your records.

Date Disclosure Document Received:

Prospective Franchisee's Signature

Date Receipt Signed:

Print Name

Address: _____

RECEIPT

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