

## FRANCHISE DISCLOSURE DOCUMENT



Edible Arrangements, LLC  
A Delaware limited liability company  
980 Hammond Drive  
Suite 1000  
Atlanta, Georgia 30328  
(678) 992-2300  
franchise@edible.com  
www.edible.com

The franchise is to operate a business under EDIBLE®, EDIBLE ARRANGEMENTS®, and other trademarks that sells sculpted fruit floral arrangements, floral bouquets, home goods such as vases and candles, plush animals, candy, popcorn, nuts, coffee, teas, gift baskets made with fresh fruit, chocolate-covered fruit, fruit smoothies, fruit salads, cookies, cakes, cheesecakes and similar individual-serving-size baked goods such as cupcakes, fruit and yogurt products, dessert boards, and other chocolate and fruit-related products.

The total investment necessary to begin operation of an EDIBLE® Business ranges from \$240,000 to \$531,000. This includes between \$53,400 and \$98,800 that must be paid to the franchisor or affiliate.

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

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

Buying a franchise is a complex investment. The information in this disclosure document can help you make up your mind. More information on franchising, such as "[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](http://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.

Date of Issuance: June 4, 2024

## 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
<b>How much can I earn?</b>	Item 19 may give you information about outlet sales, costs, profits or losses. You should also try to obtain this information from others, like current and former franchisees. You can find their names and contact information in Item 20 or Exhibit E.
<b>How much will I need to invest?</b>	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.
<b>Does the franchisor have the financial ability to provide support to my business?</b>	Item 21 or Exhibit C includes financial statements. Review these statements carefully.
<b>Is the franchise system stable, growing, or shrinking?</b>	Item 20 summarizes the recent history of the number of company-owned and franchised outlets.
<b>Will my business be the only EDIBLE® business in my area?</b>	Item 12 and the “territory” provisions in the franchise agreement describe whether the franchisor and other franchisees can compete with you.
<b>Does the franchisor have a troubled legal history?</b>	Items 3 and 4 tell you whether the franchisor or its management have been involved in material litigation or bankruptcy proceedings.
<b>What’s it like to be an EDIBLE® franchisee?</b>	Item 20 or Exhibit E lists current and former franchisees. You can contact them to ask about their experiences.
<b>What else should I know?</b>	These questions are only a few things you should look for. Review all 23 Items and all Exhibits in this disclosure document to better understand this franchise opportunity. See the table of contents.

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

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

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

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

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

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

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

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

### Some States Require Registration

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

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

## Special Risks to Consider About *This* Franchise

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

1. **Out-of-State Dispute Resolution.** The franchise agreement requires you to resolve disputes with the franchisor by mediation, arbitration, and/or litigation only in the franchisor's home state (currently Georgia). Out-of-state mediation, arbitration, or litigation may force you to accept a less favorable settlement for disputes. It may also cost more to mediate, arbitrate, or litigate with the franchisor in the franchisor's home state (currently Georgia) than in your own state.
2. **Mandatory Minimum Payments.** You must make minimum royalty or advertising fund payments, regardless of your sales levels. Your inability to make the payments may result in termination of your franchise and loss of your investment.
3. **Supplier Control.** You must purchase all or nearly all of the inventory or supplies that are necessary to operate your business from the franchisor, its affiliates, or suppliers that the franchisor designates, at prices the franchisor or they set. These prices may be higher than prices you could obtain elsewhere for the same or similar goods. This may reduce the anticipated profit of your franchise business.

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.

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

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

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

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

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

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

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

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

Any questions regarding this notice should be directed to:

State of Michigan Consumer Protection Division  
Attn: Franchise  
670 G. Mennen Williams Building  
525 West Ottawa  
Lansing, Michigan 48909  
(517) 335-7567

Notwithstanding paragraph (f) above, we intend to enforce fully the provisions of the arbitration section of our Franchise Agreement. We believe that paragraph (f) is unconstitutional because it is preempted by United States Federal law and therefore cannot preclude us from enforcing our arbitration provision. If you acquire a franchise, you acknowledge that we will seek to enforce that section as written, and that the terms of the Franchise Agreement will govern our relationship with you, including the specific requirements of the arbitration section.

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

The franchisor is Edible Arrangements, LLC (“we,” “us,” or “our”). “You” means the person or entity to whom we grant a franchise. If you are a corporation, limited liability company, or other legal entity, your owners must sign our “Guaranty and Assumption of Obligations,” which means that our Franchise Agreement’s provisions (Exhibit B) also will apply to your owners and any other guarantors.

We were formed as a Delaware limited liability company on February 28, 2012, under the name Edible Arrangements International, LLC. We were formed as part of an internal corporate restructuring for the sole purpose of merging with Edible Arrangements International, Inc., a Connecticut corporation established on June 30, 2000, to change Edible Arrangements International, Inc. from a Connecticut corporation to a Delaware limited liability company. Edible Arrangements International, Inc. was the franchisor of the “EDIBLE ARRANGEMENTS®” franchise system from approximately June 2001 until the March 1, 2012, merger. We formally changed our name to Edible Arrangements, LLC in July 2018.

Our principal business address is 980 Hammond Drive, Suite 1000, Atlanta, Georgia 30328. We operate under our company name and the trademarks described in Item 13 (the “Marks”) and no other name. Except as described in this Item, we currently have no parent companies, predecessors, or affiliates disclosable in this Item. If we have an agent in your state for service of process, we disclose that agent in Exhibit A.

Edible IP, LLC (“Edible IP”), an affiliated Connecticut limited liability company (which changed its name from “Edible Arrangements, LLC” in April 2017), started the EDIBLE ARRANGEMENTS® Business concept in 1999, although the sale of fresh fruit products under the EDIBLE ARRANGEMENTS® name began in late 1998 in our principal’s then-existing floral business. (Businesses operating under the “EDIBLE®” and “EDIBLE ARRANGEMENTS®” Marks are referred to collectively in this disclosure document as “EDIBLE® Businesses.”) Edible IP operated one or more EDIBLE ARRANGEMENTS® Businesses starting in 1999 but no longer operates any Businesses. Other affiliates of ours periodically operate EDIBLE® Businesses. (Item 20 discloses information about affiliate-owned EDIBLE® Businesses during the past 3 calendar years.) Edible IP’s principal business address is the same as ours. Edible IP owns most of the Marks, patents/patent applications, and copyrights associated with the EDIBLE® Business concept and allows us to use that intellectual property in franchising EDIBLE® Businesses. Edible IP has never offered franchises in any line of business.

A second affiliate of ours, which will be involved in your business operations, is Netsolace, LLC, whose principal business address is 980 Hammond Drive, Suite 900, Atlanta, Georgia 30328 (“Netsolace”). Netsolace sells and leases computer hardware to our franchisees, licenses proprietary computer software, technology, and services that franchisees must use (including Printible), and maintains and operates the Franchise System Website. You will sign Netsolace’s Software License and Maintenance Agreement (Exhibit I). Netsolace has never operated an EDIBLE® Business or offered franchises in any line of business.

A third affiliate of ours, which also will be involved in your business operations, is Edible.com, LLC (formerly known as Edible Connect, LLC, and EA Connect, LLC), whose principal business address is the same as ours. Edible.com, LLC is primarily involved in our Website, business generation, and other EDIBLE.COM Program activities. Edible.com, LLC has never operated an EDIBLE® Business or offered franchises in any line of business.

A fourth affiliate of ours, which will be involved in your business operations, is freshfruit.com, LLC, whose principal business address is the same as ours. Freshfruit.com is an online platform for the purchase and delivery of fresh fruit packages and fruit-related goods. We require your business to deliver products purchased at freshfruit.com as part of the EDIBLE.COM Program activities.

A fifth affiliate of ours, which also will be involved in your business operations, is BERRYDIRECT, LLC (“BerryDirect”), whose principal business address is the same as ours. BerryDirect distributes containers, packaging supplies, product toppings, fruit preparation and other processing equipment, and other items wholesale to franchisees from a third-party shipper’s warehouse in Plainfield, Indiana. BerryDirect has never operated an EDIBLE® Business or offered franchises in any line of business.

A sixth affiliate of ours is Edible Global, LLC (formerly known as EA Global, LLC). Edible Global, whose principal business address is the same as ours, has offered (non-exclusively) since 2009 franchises and master franchises for EDIBLE® businesses to be located and operated outside the United States. It does not own or operate an EDIBLE® business. Edible Global had 2 franchises in operation as of December 31, 2023.

The direct parent company of all the entities above (including us) is Edible Brands, LLC, which in turn is a wholly-owned subsidiary of Edible Holdings, Inc. (formerly known as TKF Holdings, Inc., the ultimate parent company). Both Edible Brands, LLC and Edible Holdings, Inc. share our principal business address.

We grant franchises for Businesses operating under the EDIBLE® name and other Marks. (In this disclosure document, we call your particular EDIBLE® Business the “Business.”) EDIBLE® Businesses traditionally operate at street-level retail locations (the sizes of which may vary) in strip shopping centers, shopping malls, and other venues in both downtown commercial areas and suburban areas. While customers can visit your store location to order and pick up products you prepare for them, your Business also will deliver prepared products to customers away from the store’s premises. We grant you a delivery area (the “Delivery Area”) in which you may operate your Business.

EDIBLE® Business franchises also may operate increasingly at or from “non-traditional” venues. A “non-traditional” venue is typically considered to be a captive-venue location, including airports, hospitals or medical centers, limited-access highway food facilities, bus or train locations, entertainment and sports complexes, convention centers, military facilities, schools, colleges, and universities, office facilities, department and retail super-stores, convenience stores, supermarkets, and home-improvement retailers. However, a non-traditional venue also includes other types of distribution channels like mobile units or food trucks, locations known colloquially as “virtual kitchens,” “ghost kitchens” or “ghost operations,” “dark kitchens,” or similar venues that operate on a delivery, shipping, and/or pick-up-only basis, and locations where a business operates as an adjunct or supplement to another business (selling other branded products and services) already being conducted at or from the venue.

Certain franchisees might have the right to prepare and package certain products for, and direct-ship such products through third-party carriers (rather than deliver such products through their own refrigerated vehicles) to, recipients we specify who are located outside those franchisees’ operating areas (including to areas where existing franchisees servicing the areas are unable for any reason, including due to non-compliance, to fill the customer orders). Franchisees wanting this right (if qualified operationally and geographically) must sign a separate Product Shipment Amendment to their Franchise Agreements

and comply with our Product Shipment Rules. We offer this opportunity to our existing franchisees only on an as-needed basis depending on the coverage we need for our products.

If you are renewing your franchise because its current term will soon expire, you will sign a Renewal Rider to the Franchise Agreement (attached as Exhibit K) (“Renewal Rider”), the precise version of which depends on your circumstances. Among other things, the Renewal Rider (1) modifies certain provisions in our standard Franchise Agreement that do not apply to you because your Business already is open, (2) identifies certain upgrading/remodeling requirements that are conditions to renewal, and, if applicable, (3) describes your store relocation obligations.

EDIBLE® Businesses feature uniquely-designed arrangements and gift baskets whose primary ingredients are cut fresh fruit and chocolate products. Products are prepared according to specific recipes and procedures. We and Edible IP create and develop the standards and specifications for all products offered by EDIBLE® Businesses. If you acquire a franchise, you must operate your Business according to our business formats, methods, procedures, designs, layouts, standards, and specifications.

EDIBLE® Businesses also offer and sell “Edible® Treats” products at and from their EDIBLE® store locations. Edible® Treats products are quick-serve products made with fresh fruit and other natural ingredients, including fruit smoothies, fruit salads, fruit sundaes, fruit pops, fruit and yogurt products, dipped fruit, and other treats, such as doughnuts, cookies, and cupcakes. Edible® Treats products are a required product line for EDIBLE® franchisees.

Your Business will offer products to the general public throughout the year and compete with other businesses (including caterers) offering similar products, traditional and on-line florists offering floral arrangements, and other on-line and brick-and-mortar businesses selling different types of gift baskets, arrangements with fresh fruit, and other products with natural ingredients, including fruit smoothies, fruit and yogurt products, fruit salads, fruit sundaes, chocolate-covered fruit, and other treats, such as doughnuts, cookies, and cupcakes. The market for EDIBLE® products is developed in some areas where our system has grown quickly and undeveloped in other areas where our concept still is somewhat novel and distinctive compared with traditional florists. We believe that EDIBLE® products appeal to consumers because of our product quality, our service speed, and our concept’s novelty and freshness.

We began offering EDIBLE ARRANGEMENTS® Business franchises in approximately June 2001. We never have operated an EDIBLE® Business. We have no other business activities and have not offered franchises in other lines of business. Certain affiliates of ours have operated EDIBLE® Businesses on and off since 1999.

No regulations apply specifically to the industry in which EDIBLE® Businesses operate. However, there are federal, state, and local food safety, sanitation, handling, labeling, storage, and other laws governing all foodservice operations that might impact your Business. You must comply with these laws and with laws applying generally to all businesses. You should investigate these laws and regulations when evaluating your franchise acquisition.

**ITEM 2**  
**BUSINESS EXPERIENCE**

**Chairman of the Board and Chief Executive Officer: Tariq Farid**

Mr. Farid has been our Chairman of the Board since our formation in June 2000 and our Chief Executive Officer since October 2019. He also was our Chief Executive Officer from June 2000 until June 2018. Mr. Farid founded and is President of Edible IP (formed in 1999), located in Atlanta, Georgia. Since 1993, Mr. Farid also has owned Netsolace, an associated computer systems distributor, located in Atlanta, Georgia. Mr. Farid is an owner (direct or indirect) and executive of the other associated entities disclosed in Item 1.

**President: Somia Farid Silber**

Ms. Silber has been our President and President of Edible.com since July 2022. She was our Vice President, eCommerce from October 2019 until June 2022. Ms. Silber also has been the Vice President and General Manager of Netsolace, located in Atlanta, Georgia, since August 2018 and served as Netsolace's Product Manager from June 2016 until June 2017. Ms. Silber served as our Director, Canada, from January 2018 until August 2018 and our Special Projects Manager from June 2017 until January 2018.

**Chief Innovation Officer: Angela Johnson**

Ms. Johnson has been our Chief Innovation Officer since September 2022. She was our Vice President of Innovation and Merchandising from June 2021 until September 2022. She held a number of positions at The Krystal Company in Atlanta, Georgia from September 2014 to May 2021, most recently Vice President of Marketing overseeing brand activations and innovation.

**Chief Development Officer: Mark Mele**

Mr. Mele became our Chief Development Officer in August 2023. Mr. Mele served as the Chief Development Officer for Paris Baguette America in Moonachie, New Jersey, from November 2020 through August 2023 and as Chief Development Officer for Lightbridge Franchise Company in Iselin, New Jersey, from April 2016 through September 2020.

**Chief Marketing Officer: Kevin Keith**

Mr. Keith has been our Chief Marketing Officer since January 2023. He was Chief Brand Officer for Orange Theory Fitness in Boca Raton, Florida, from February 2017 through May 2022. He was self-employed as a marketing consultant from May 2022 through December 2022.

**Chief Legal & Compliance Officer: Doug Knox**

Mr. Knox has been our Chief Legal & Compliance Officer since February 2024. He was our Senior Corporate Counsel, Franchise, from May 2023 until February 2024. Until joining us, Mr. Knox practiced law in Tampa, Florida beginning in 2004, most recently as a solo practitioner from October 2022 through May 2023, and previously with the law firms Gray Robinson, P.A. (of counsel, September 2020 through October 2022) and Spencer Fane, LLP (partner, December 2018 through September 2020).

Vice President of Operations: Brian Deering

Mr. Deering has been our Vice President of Operations since August 2023. Mr. Deering served as Regional General Manager for BMS CAT in Haltom City, Texas, from June 2019 through August 2023, Regional Director of Retail for Summer Classic in Hoover, Alabama, from October 2018 through May 2019, and Senior Regional Manager for the Tile Shop, LLC in Plymouth, Minnesota, from June 2011 through October 2018.

**ITEM 3**  
**LITIGATION**

Charose Holdings, LLC v. Edible Arrangements International, Inc. (Ontario Superior Court of Justice, Case No. CV-08-11982cm). A former franchisee in Ontario, Canada (who still is a franchisee in the United States) filed this lawsuit against us on or about October 21, 2008, alleging that we breached the Franchise Agreement and did not deal fairly with the franchisee by terminating the agreement before the franchisee could find and secure a location for its franchised business. The former franchisee sought compensatory damages exceeding \$500,000, punitive damages of \$100,000, interest, costs, and other relief the court deemed appropriate. We delivered our defense in July 2009. On July 17, 2014, the court ordered the former franchisee to post \$35,000 in security for our costs relating to the franchisee's discovery requests. After that ruling, the parties engaged in settlement discussions to avoid further litigation expense associated with a potential trial. On October 1, 2014, we paid the former franchisee \$37,500 and gave its owners a \$12,000 credit toward future BerryDirect purchases for their United States franchise. The parties signed mutual releases with no admission of liability. The court dismissed the case without costs on October 17, 2014.

Hussam Batroukh (Claimant) and Edible Arrangements International, LLC (Respondent) (American Arbitration Association, filed September 11, 2015, Case numbers 01-15-0004-4990 and 02-15-0004-9440). The claimant, at the time a franchisee of ours, commenced this arbitration proceeding against us alleging, among other things, violation of the Washington Franchise Investment Protection Act due to our alleged failure to comply with the notice requirements in the Act when we notified him a year in advance that we would not renew his franchise. Claimant sought actual damages of approximately \$1.4 million, plus interest and attorneys' fees and costs. We settled the dispute with the claimant on December 14, 2015, just before his franchise was scheduled to expire. We and the claimant formally terminated the Franchise Agreement, and a subsidiary of ours purchased the ongoing business, including its principal business assets, from the claimant for their market value of \$123,000 and assumed ownership and control of the Edible Business. The arbitration was dismissed, and the parties provided mutual releases. The claimant also agreed to comply with the post-term obligations in the Franchise Agreement.

ZRIZA9, Inc., ZRIZA, LLC, and ZRIZA18, LLC v. Edible Arrangements International, LLC, Edible Arrangements, LLC, EA Connect, LLC and Tariq Farid (American Arbitration Association, Case No. 01-19-0004-5629). On January 29, 2020, claimants, which then were 3 EDIBLE® franchisees, filed an amended arbitration demand (the original was filed on December 19, 2019) against us, our affiliate, and our Chief Executive Officer (whom the claimants voluntarily dismissed from the case on December 31, 2020). Claimants alleged that we violated various contractual obligations such as designating unreliable vendors, not implementing an effective sales strategy, not providing adequate training, misappropriating money from the Brand Fund, failing to provide consistent leadership for the franchise system, and inappropriately sending claimants product shipments from a vendor with which our Chief Executive Officer had a business

relationship. Claimants alleged various causes of action, including theft, misappropriation of funds, fraud, negligent misrepresentation, breach of contract, breach of the implied covenant of good-faith and fair dealing, and violations of Florida's Deceptive and Unfair Trade Practices Act, Florida's Sale of Business Opportunities Act, the Connecticut Franchise Act, and the Connecticut Unfair Trade Practices Act. Claimants sought unspecified compensatory damages, consequential damages, punitive damages, lost profits, loss of business opportunities, and reasonable attorneys' fees. We filed a counterclaim against the claimants and their owners on May 13, 2020, alleging that they breached their franchise agreements by failing to, among other things, submit required reports, purchase from approved vendors, comply with required hours of operation, and comply with our system and brand standards.

We and the claimants formally settled the dispute on February 3, 2021. We and the claimants formally terminated their Franchise Agreements, and we purchased the principal business assets of the claimants' three stores for a total of \$600,000, allowing us to assume ownership and control of their Businesses. The arbitration was dismissed on February 4, 2021, and the parties provided mutual releases. The claimants also agreed to comply with the post-term obligations (including indemnification) in the Franchise Agreements.

Card Isle Corporation v. Tariq Farid, Edible Arrangements, LLC, and Netsolace, Inc. (United States District Court for the Northern District of Georgia, Case No. 1:21-cv-01971, filed November 24, 2020). A former vendor filed a complaint against us, our affiliate, and our Chief Executive Officer alleging that we violated our contractual obligations under a service agreement by failing to meet certain required product roll-out milestones and then to pay a \$45,000 fee; terminating the agreement without cause; reverse-engineering, decompiling, disassembling, or otherwise seeking to discover the source code, object code, or underlying structure, ideas, know-how, or algorithms relevant to the plaintiff's services and software; and using non-public information regarding certain features, functionality, and performance of the plaintiff's services. Plaintiff further alleges that we misappropriated its confidential and proprietary information and copied, publicly displayed, and distributed products derived from its copyrighted materials. Plaintiff alleges breach of contract, misappropriation of trade secrets under the Georgia Trade Secrets Act of 1990 and Defend Trade Secrets Act, and copyright infringement. Plaintiff seeks injunctive relief prohibiting future use of its trade secrets and copyrighted materials, unspecified damages, our profits from the alleged copyright infringement, interest, and attorneys' fees and costs. After the plaintiff amended its initial complaint, we successfully moved the court to transfer the case from Virginia to Georgia. On August 30, 2023, the court entered summary judgment in our favor on the plaintiff's claims of trade secret misappropriation, copyright infringement, and breaches of contract involving confidentiality and termination provisions of the underlying service agreement. The court also denied the plaintiff's motion for summary judgment, finding that issues of fact existed as to the plaintiff's remaining claims for breach of contract. We intend to defend the remaining claim vigorously at trial.

1769123 Alberta Ltd. v. Edible Arrangements International, LLC, a/k/a Edible Arrangements LLC, et al (Court of Queen's Bench of Alberta, Judicial Centre of Red Deer, Case No. 2210 00179, filed February 17, 2022). The plaintiff, an existing franchisee, alleges that we made false or inaccurate promises in connection with its acquisition of the franchise and breached its franchise agreement in various ways, including failing to provide assistance, training, and support, increasing the franchisee's fees without its consent, unfairly competing with the franchisee by selling other products on the system website, failing to designate local suppliers, unilaterally imposing a new phone system, requiring the sale of non-merchantable products, mandating new operating hours, and failing to account for the advertising fund's

activities. The plaintiff alleges intentional, negligent, or fraudulent representation, breach of common-law duties of good faith and fair dealing and similar duties under the Alberta Franchises Act, negligence, and unjust enrichment. It seeks compensatory damages of \$200,000, punitive damages of \$20,000, interest, and costs. We moved to stay the case pending mediation and arbitration as required by the Franchise Agreement. On May 15, 2023, the court granted our request by way of a consent order. The parties did not resolve the case at mediation and have agreed to the appointment of an arbitrator to decide the dispute. On November 23, 2023, the franchisee submitted its formal demand for arbitration that repeated the allegations and claims asserted in court. We intend to defend the claims vigorously in arbitration.

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

**ITEM 4**  
**BANKRUPTCY**

No bankruptcy is required to be disclosed in this Item.

**ITEM 5**  
**INITIAL FEES**

*Initial Franchise Fees*

You must pay us a lump-sum initial franchise fee when you sign the Franchise Agreement. Our standard initial franchise fee for new franchisees currently is \$30,000. We fully earn the initial franchise fee when paid. It is not refundable, even if you cannot obtain financing for your Business after signing the Franchise Agreement. We use the initial franchise fee to cover our costs of evaluating your proposed store location, providing initial training to you and your managers, and helping you develop and open your Business.

We are a member of the International Franchise Association and participate in the IFA's VetFran Program, which provides a discount on initial franchise fees to active-duty service members and veterans of U.S. Armed Forces (or spouses of active-duty service members) who otherwise meet the Program's requirements. First-time purchasers of franchises who are veterans of the U.S. Armed Forces are eligible to pay a reduced initial franchise fee of \$20,000. To qualify for this discount, the veteran(s) must own at least a 50% interest in the franchise. "Veteran" means a recipient of an honorable discharge as evidenced by the U.S. Department of Defense. It is the veteran's responsibility to give us the required documents to obtain the VetFran incentive. There is no VetFran discount if you are receiving this disclosure document in connection with purchasing an existing franchised business or renewing your franchise rights.

You do not pay us an initial franchise fee if you renew your Franchise Agreement or buy an operating EDIBLE® Business from an existing franchisee. If you are renewing your franchise, you must pay us the renewal fee specified in your original Franchise Agreement. If you are buying an operating EDIBLE® Business from an existing franchisee, you must pay us upon signing the Franchise Agreement a \$10,000 initial training fee. You and your manager must attend and complete our initial training program to our satisfaction. Neither fee is refundable.

If an existing franchisee refers a new prospective franchisee to us who ultimately acquires a franchise, we currently pay the referring franchisee \$2,000, although we may stop this practice or change the amount paid at any time. This does not apply to resales or transfers of ownership.

### *Training*

You and your onsite manager must attend the initial training program, for which we do not charge a fee, although you are responsible for paying any expenses incurred in attending the training, including salaries, lodging, travel, and other per-diem costs. If you or your owners already operate one or more EDIBLE® Businesses when you acquire another franchise, we may require your managing owner to attend and complete to our satisfaction our multi-unit ownership training program. We may charge up to \$10,000 for this training. This fee is not refundable.

### *Products and Equipment*

You must buy a new digital-menu system from Netsolace for a total cost currently estimated at \$5,300. This payment is not refundable.

You must buy or subscribe from Netsolace the computer system (hardware and proprietary computer software) required to operate the Business. If you purchase the required hardware, the system, including installation, will cost \$15,000 to \$30,000. If you elect the full subscription service, the initial payment will be \$600 to \$1,200 (depending on the number of users and locations and length of the hardware subscription). As noted above in Item 1, you will sign Netsolace's Software License and Maintenance Agreement (Exhibit I). These payments are not refundable. All equipment and software provided in the Netsolace subscription for the initial and renewal franchise terms remain Netsolace's property and will not be transferred to you. You must return all subscription equipment immediately upon termination or expiration of your Franchise Agreement.

If you are renewing your franchise, you must purchase or enter into a subscription for any equipment or technology necessary to meet our then-current standards and specifications. No payment is refundable.

You must buy or lease an initial inventory of containers, tools, proprietary equipment, supplies, and certain food products from BerryDirect to operate the Business at a cost ranging from approximately \$17,500 to \$18,500. These payments are not refundable. All proprietary equipment must be leased from BerryDirect for the initial and renewal franchise terms; ownership of such proprietary equipment will never be transferred to you. You must return all proprietary equipment immediately upon the termination or expiration of your Franchise Agreement.

If you are renewing your franchise, you will be required to purchase or lease any equipment or supplies necessary to meet our then-current standards and specifications.

### *Grand Opening Marketing Fee*

You must conduct a grand opening marketing and advertising program for the Business according to our guidelines during the timeframe we specify (but typically starting one month before and continuing 2 months after your Business begins operating). You must execute at minimum the approved grand



opening program, which is currently a minimum of \$5,000. We have the right (but no obligation) to require you to pay us some or all of that amount in a lump sum; we then will spend it for you on an approved marketing and advertising program. This payment is not refundable.

If you are renewing your franchise, you will not be required to spend this fee. However, if you are required to remodel or relocate your store as a result of the renewal, you will be required to spend a minimum of \$5,000 to market and advertise the remodel or relocation.

**ITEM 6**  
**OTHER FEES**

Column 1	Column 2	Column 3	Column 4
Type of fee <sup>1</sup>	Amount	Due Date	Remarks
Royalty	5% of Business's weekly Gross Sales <sup>2</sup> or \$200 per week, whichever is more <sup>3</sup>	Due on Monday of each week on Gross Sales during previous week ending Saturday <sup>4</sup> (unless we specify otherwise)	See Notes 2, 3, and 4.
Marketing Fees Contributions	Up to 5% of Business's weekly Gross Sales ("Marketing Fees Contribution Cap")  Currently, the National Marketing Fund contribution is 3.5%, but EDIBLE® Businesses also are required to spend 1.5% on local marketing efforts (including through an area advertising cooperative if one exists for the franchisee's market)	Due on Monday of each week on Gross Sales during previous week ending Saturday <sup>4</sup> (unless we specify otherwise)	This item describes your required contributions related to the Edible marketing and advertising programs, including the National Marketing Fund ("Fund"), Area Advertising Cooperative(s), and local advertising activities. See Item 11 for a detailed discussion of these marketing and advertising programs.  We have the right to control the formation and operation of Area Advertising Cooperatives and to specify your required contribution to the Cooperative, subject to the Marketing Fees Contribution Cap.  We also have the right to require you to pay us (or to debit from your account) the amounts you must spend for local marketing, which we then will spend for you in your market area.

Column 1 Type of fee <sup>1</sup>	Column 2 Amount	Column 3 Due Date	Column 4 Remarks
Special Advertising and Promotional Programs	As we periodically direct based on franchisee vote, but currently 0% of Store's Gross Sales	As incurred, but typically due on Monday of each week on Gross Sales during previous week ending Saturday <sup>4</sup> (unless otherwise specified)	In addition to the services provided and obligations paid for by the Marketing Fees Contributions, you must participate in any national, regional, or local advertising or promotional programs approved by a majority of franchisees operating within the particular geographic area, which may be in excess of the Marketing Fees Contribution Cap.
EDIBLE.COM Program Fees <sup>5</sup>	We reserve right to charge up to 30% of price paid for order; percentage may vary based on order method  Currently (as of May 1, 2024), the EDIBLE.COM fees are: (1) 14% of the total payment for any customer order through our website or the Edible consumer mobile app; (2) 20% on the total payment for each order taken by us through our call center or business lines; and (3) a varied charge of up to 30% of the total payment for orders taken by a third-party or filled by third-party delivery services	As incurred	See Note 5.

Column 1	Column 2	Column 3	Column 4
Type of fee <sup>1</sup>	Amount	Due Date	Remarks
Credit Card Processing and Security and Fraud Prevention (EMV Fees)	Costs of Service (2.25% of order)	As incurred	You might have to pay us or a bank processor a monthly fee or per-transaction cost to authenticate and secure credit card transactions, as well as prevent credit card fraud. The amount will increase based on what the credit card companies charge.
Computer Software and Technology, Support, and Upgrades	Currently \$160 to \$400 per month for software services (depending on the number of users and locations); a subscription for hardware will cost an additional \$300 to \$600 per month (depending on the number of users and locations and length of the hardware subscription)	As incurred	We and/or our affiliates, including Netsolace, may charge you up-front and recurring (e.g., weekly, monthly, or other) fees or subscriptions for hardware, proprietary software, and/or technology licensed to you and related support services; the fee or subscription may increase as costs increase. We reserve the right to charge an additional fee for other services we may provide in the future in relation to maintenance or support of your computer system.
Franchise System Website	Current charge is up to \$200 per month (not to exceed \$300 per month)	As incurred	We may charge you a separate fee to be on or participate in the System Website, in addition to the EDIBLE.COM fees; we may increase this charge if the costs increase; currently this fee is paid to our affiliate Edible.com, LLC.
Additional Training or Assistance During Franchise Term	Currently \$400 per day for training at our location or \$500 per day plus expenses for training at your location (in both cases not to exceed \$1,500 per day)	When training or assistance begins	For additional or special assistance or training you need or request, or that we otherwise require during the franchise term.

Column 1	Column 2	Column 3	Column 4
Type of fee <sup>1</sup>	Amount	Due Date	Remarks
Renewal Fee	\$5,000	Upon franchise renewal	
Transfer to a Third-Party to the Franchise	\$10,000	Half due (and non-refundable) when you request transfer approval; balance due when transfer is completed	Due on transfer of any or all of the ownership interest in you or your owners (if an entity) or the Business to any person or entity who is not currently a signatory to the Franchise Agreement or a guarantor of your obligations, unless such transfer is to your heirs or assigns following your death or disability.
Transfer of Franchise Agreement or Controlling Ownership Interest (Netsolace)	\$1,200	Due to Netsolace (and non-refundable) for set-up of Netsolace system with buyer; generally charged to buyer	Due on transfer of Franchise Agreement or controlling ownership interest in you or your owners, except no charge if, upon a spouse's death, the spouse's interest in Franchise Agreement and Business, or the spouse's ownership in you, is transferred to surviving spouse.
Transfer for the Convenience of the Ownership	\$2,500	Due (and non-refundable) when transfer is effected	Due on transfer of ownership interest in you or the franchised business to a person or entity who already has an ownership interest in you or the franchised business.
Relocation Marketing Assistance Program ("REMAP") Fee	\$5,000 to \$10,000	Due at the start of construction on the new location, at beginning of remodel, or upon request for transfer approval	Due if you either (1) relocate or remodel your business during the franchise term or upon renewal of your franchise or (2) request a transfer of ownership in you (if an entity) or the Business to an unrelated person or entity; pays to market or advertise the new store location or ownership.
Incorporation/ Entity Name Change	\$350	Due (and non-refundable) when you request approval	Due if you want to (1) assign Franchise Agreement held by you individually to a legal entity or (2) change the name of an existing franchisee legal entity.

Column 1	Column 2	Column 3	Column 4
Type of fee <sup>1</sup>	Amount	Due Date	Remarks
Product and Service Purchases	Item 8 discusses product and service purchases	As incurred	You will buy or lease products, supplies, and services from (i) us or our affiliates, (ii) designated and approved vendors whose items meet our standards and specifications, and (iii) other suppliers to the industry in which EDIBLE® Businesses operate.
Unapproved Product Testing	Costs of testing when you make request; costs depend on products or suppliers involved and the process we must complete.	When billed	This covers costs of testing new products or inspecting new suppliers you propose. We currently have no set fee for this because we have not done this testing.
Convention	Will vary under circumstances (not to exceed \$2,500 per person; does not include your actual out-of-pocket attendance costs)	As incurred	You (or your designated representative we approve) must attend our annual or biennial franchise conventions and pay an attendance fee. We will charge this fee even if you do not attend.
Franchise Resale Assistance	\$10,000	As incurred	You must pay this amount if you want to sell your franchise and we find a buyer for you. You must sign our Franchise Resale Agreement or a similar document specifying our and your obligations if we help you sell your franchise. This fee is in addition to any transfer fee.
National Advisory Council Fee	Reimbursement of costs for Council's administration and operation	When billed	You must participate in any National Advisory or similar council we establish and pay assessments and dues; we currently do not charge any assessments or dues.

### Contingent Fees

Column 1	Column 2	Column 3	Column 4
Type of Fee <sup>1</sup>	Amount	Due Date	Remarks
Unapproved Opening	\$200 for each day Business operates without our approval	When billed	Due if you begin operating Business before we approve.
Quality Inspection Failure	Varies	When billed	Due (at our option) if we reasonably suspect that you are not complying with a system standard or you fail any quality inspection, and we incur costs to complete one or more additional inspections; compensates us for the costs and expenses associated with those additional inspections, including any professional fees to external audit companies and internal or external incurred travel fees.
Non-Compliance Fee	\$250 to \$500 per deviation	When billed	Due (at our option) if you deviate from contractual requirement, System Standard, or the Operating Manual; compensates us for administrative and management costs to assess your noncompliance.
Records Deficiency Fee	\$250 per violation	When billed	Due (at our option) for each category of required records you fail to maintain for each year (or portion of a year) for which we seek to perform an examination or audit; compensates us for administrative and management costs, not for our damages due to your default.
Audit	Cost of inspection or audit, which may be up to \$2,500 per day	15 days after billing	Due if you do not give us reports, supporting records, or other required information or you understate required Royalties, marketing fees contributions, or other fees due by more than 3%.

Column 1	Column 2	Column 3	Column 4
Type of Fee <sup>1</sup>	Amount	Due Date	Remarks
Reconciliation Fee	\$50	When billed	Due if we must reconcile your account because you did not submit a weekly report or if you do not close out your sales daily.
Late Fee	\$50 for each 30-day period a payment is late (Franchise Agreement) 1.5% interest (Netsolace Agreement)	When billed	
Certified Happiness Program Guest Recovery Reimbursement	Varies	When billed	You must reimburse us if we pay to recover a guest due to your inaction or non-responsiveness to a Guest Recovery situation. This may include the cost of the recovery plus an hourly rate for the cost of the labor incurred to address the issue.
Reimbursement Costs	Will vary under circumstances (depending on extent of your noncompliance)	As incurred	You must reimburse us if we incur costs in maintaining your store location's condition, obtaining insurance coverage for you, or paying any of your tax obligations. This amount will include our costs in bringing you into compliance, plus an administrative fee.
Proprietary Equipment or Materials Non-Return Fee	\$15,000	As incurred	Due for each piece of proprietary equipment or other materials you do not return to us when required.
Management Fee	\$400 per person per day (plus costs and expenses)	As incurred	Due if we must manage or appoint a third-party manager to manage the Business after your default, or if another managing owner cannot be appointed within 30 days after your or your managing owner's death or disability or.

Column 1	Column 2	Column 3	Column 4
Type of Fee <sup>1</sup>	Amount	Due Date	Remarks
Costs and Attorneys' Fees	Will vary under circumstances (depending on extent of your non-compliance)	As incurred	Due when you do not comply with the Franchise Agreement.
Indemnification	Will vary under circumstances	As incurred	You must reimburse us if we are held liable for claims arising from your Business's operation or incur costs defending them.  Similar indemnification obligation exists under Netsolace Software License and Maintenance Agreement.
Liquidated Damages	The sum of: (1) \$15,000 plus (2) the average Royalty and Marketing Fee Contributions owed by you per month over the preceding 12-month period multiplied by the lesser of (i) 18 or (ii) the number of months remaining in the term of the Franchise Agreement		Due upon early termination of the Franchise Agreement. This amount is not a penalty but is a reasonable calculation of our damages upon early termination. The \$15,000 covers the administrative costs associated with a store closure, and the remaining amount is a reasonable estimate of our damages resulting from your default and closure.
Insurance Reimbursement Costs	Will vary under circumstances (depending on extent of your non-compliance)	As incurred	You must reimburse us if we obtain insurance coverage for you.



Column 1	Column 2	Column 3	Column 4
Type of Fee <sup>1</sup>	Amount	Due Date	Remarks
Tax Reimbursement	Out-of-Pocket reimbursement	As incurred	You must reimburse us for any taxes we must pay to any state taxing authority on account of either your operation or your payments to us (except for our income taxes).

1. Except for product and service purchases described in Item 8 or as otherwise noted in this Item 6, all fees are imposed and collected by and payable to us; all fees currently are uniformly imposed. No fees are refundable.

2. "Gross Sales" means all of your revenue from operating Business (including your share of customer sales made through the EDIBLE.COM Program (defined in Item 14)), but excluding taxes collected from customers if paid to taxing authority and reduced by refunds, credits, and allowances the Business in good faith gives customers. Gross Sales also includes insurance proceeds you receive for loss of business due to a casualty or similar event at your store location. Any tips collected or received as permitted by the Franchise Agreement are not included in the calculation of Gross Sales.

3. The \$200 minimum weekly royalty fee may be increased annually each January 1 based on the percentage increase in the Consumer Price Index since the previous January 1. (The minimum royalty will not be reduced.) The Consumer Price Index means the CPI for All Urban Consumers, All Items, U.S. City Average 1982-1984=100, as published by the U.S. Department of Labor or in a successor index.

4. We and our affiliates may initiate debit entries (even on a daily basis if we so direct) and credit correction entries to your bank accounts for the Royalties, Marketing Fees Contributions, and other amounts due from you to us, our affiliates, and others under the Franchise Agreement or otherwise in connection with your operation of the Business, including amounts due for EDIBLE.COM Program and call center customer service fees, inter-franchise orders, your purchases from us, our affiliates, and/or unaffiliated vendors, rent due from you to your landlord for the store location, or your repayment of any bank loan. You must comply with our and our affiliates' procedures and instructions in the direct debit process and sign any documents or take any action required to put this authorization in place. We will debit your account on the payment due dates (which may be daily). Funds must be available for withdrawal. If you do not report the Business's Gross Sales, we may initiate a draft equal to the amount due during the previous week or estimated to be due for the current week (subject to later adjustment) (this assumes we are not debiting your account daily).

We have the right at any time and continuously during the franchise term to deduct on a transaction-by-transaction basis, directly from customer payments we receive for products ordered through the EDIBLE.COM Program (and apart from charges for providing credit card services, including processing, clearing, fraud detection/prevention, and similar services), your required Royalty payment, Marketing Fees Contributions, and other amounts due on account of the transaction (such as EDIBLE.COM Program fees) and then pay you the balance received on that transaction. However, if you owe (or are

anticipated to owe) money to us, our affiliates, or others (including any third-party financial institution providing a bank loan) due to your operation of the Business, regardless of why owed (including refunds or complimentary products on account of customer service issues), we may set off the monies due (or anticipated to be due) from you against any monies otherwise due and payable to you for customer orders placed through and directed to you under the EDIBLE.COM Program. (We also have similar set-off rights for monies owed on account of other Businesses owned by you or your affiliates.) We may collect payments from customers and, after deducting the applicable charges for providing credit card services (including processing, clearing, fraud detection/prevention, and similar services), the Royalty, the Fund contribution, and other amounts due from you on account of the order, apply some or all of the payments to cure your balance due to us, our affiliates, and others (in the amount or percentages we deem appropriate) and for the reasonable processing fee, including a manual push fee, we specify.

5. EDIBLE.COM Program fee amounts may vary during franchise term and may be collected on a per transaction, daily, weekly, monthly, or other basis, up to the 30% maximum amount and may vary based on order type. The amount and collection method will be specified in the Operations Manual. We and/or a third party may deduct the fee from the customer’s payment for the order and pay you the balance.

The fee charged for customer orders placed through a third-party retailer or other third-party whose advertisement, marketing, or sale of our products or services is conducted pursuant to an agreement between us and them may be higher than that charged for a customer order placed through our website to cover the fees charged by such third party.

The EDIBLE.COM Program fee is in addition to the Royalty, Marketing Fees Contributions, credit card processing fees, fraud detection/prevention fees, or any other fees we may charge as provided for in the Franchise Agreement and this Item 6.

We also will collect charges for providing credit card services, including processing, clearing, fraud detection/prevention, and similar services on which we (or our affiliate or other third party) receive direct credit card payment from the customer, which may be in excess of the 30% maximum.

**ITEM 7**  
**ESTIMATED INITIAL INVESTMENT**

**YOUR ESTIMATED INITIAL INVESTMENT**

Column 1 Type of expenditure*	Column 2 Amount**	Column 3 Method of payment	Column 4 When due	Column 5 To whom payment is to be made
Initial Franchise Fee <sup>1</sup>	\$30,000	Lump Sum	Upon signing Franchise Agreement	Us

Column 1 Type of expenditure*	Column 2 Amount**	Column 3 Method of payment	Column 4 When due	Column 5 To whom payment is to be made
Real Estate/Rent (1 month) <sup>2</sup>	\$2,000 - \$8,000	As Agreed	As Incurred	Landlord
Security Deposit (1 month) <sup>2</sup>	\$2,000 - \$8,000	As Agreed	As Incurred	Landlord
Build-Out – Vanilla Box <sup>3</sup>	\$50,000 - \$220,000	As Agreed	As Incurred	Outside Suppliers
Equipment, Computers, Millwork & FF&E (including installation) <sup>4</sup>	\$112,000 - \$182,000	As Agreed	As Incurred	Outside Suppliers and Our Affiliates
Signage (including shipping and installation)	\$7,000 - \$15,000	As Agreed	As Incurred	Outside Suppliers
Printing & Graphics (including shipping)	\$2,300 - \$3,000	As Agreed	As Incurred	Outside Suppliers
Delivery Vehicle Monthly Lease or Loan Payment <sup>5</sup>	\$600 - \$1,000	As Agreed	As Incurred	Outside Suppliers
Opening Inventory (including shipping) <sup>6</sup>	\$15,000 - \$16,500	As Agreed	As Incurred	Outside Suppliers and Our Affiliates
Grand Opening Marketing <sup>7</sup>	\$5,000 - \$10,000	As Incurred	As Incurred	Advertising Sources or Us (to spend for you)
Expenses related to attending Initial Training (for each attendee)	\$1,000 - \$2,000	As Incurred	As Incurred	Third Parties
Insurance (1 month) <sup>8</sup>	\$1,600 - \$3,000	As Incurred	As Incurred	Insurance Company

Column 1 Type of expenditure*	Column 2 Amount**	Column 3 Method of payment	Column 4 When due	Column 5 To whom payment is to be made
Miscellaneous Opening Costs <sup>9</sup>	\$1,500 - \$2,500	As Incurred	As Incurred	Third Parties
Additional Funds – 3 months <sup>10</sup>	\$10,000 - \$30,000	As Incurred	As Incurred	Employees and Suppliers
TOTAL ESTIMATED INITIAL INVESTMENT (including lease costs but not real estate purchase costs) <sup>11</sup>	\$240,000 - \$531,000			

\*The estimated initial investment reflected in this table is for an EDIBLE® Business operating from a traditional location. If your Business operates at and from one of the “non-traditional” venues described in Item 1, we expect that your costs to establish the Business will vary based on site-specific factors, including the type of venue, the site’s location and size, the buildout and equipment for that venue, and the required or allowed design alterations. The landlord or manager of the particular venue will determine what is required or allowed for the particular venue based on the specific EDIBLE® Business activities in which you intend to engage as a franchisee from that venue.

\*\*Except for the security deposit and perhaps some utility deposits, no expenditure in this table is refundable. The total investment does not include applicable sales and other taxes in your area or any costs for required items specific to your circumstances or locality (for example, grease traps).

\*\*\*You will not incur most of these costs if you are renewing your franchise or acquiring an existing franchise because the Business already is open. However, as a condition of renewal or our approval of a franchise resale, you must make certain upgrades, modifications, and improvements at your Business (in particular, the store location) to meet our current standards. If your original store location no longer meets our current standards, we may require you, as a condition of the franchise “renewal” process, to relocate the Business to a new location acceptable to us. Your costs in both cases (you upgrade your existing store location or relocate to a new premises) will depend on many factors. The cost of upgrading an existing store location (without relocation) to our current standards may range between \$125,000 to \$185,000, depending on the extent of the required work. The cost of relocating an existing business to a new location acceptable to us may range from the low end to the high end of the total estimated initial investment appearing in the table for a brand new store.

Explanatory Notes

1. We describe the initial franchise fee in Item 5.

2. A traditional store location for a Business will occupy approximately 1,100 to 1,700 square feet of space. Your rent depends on geographic location, the store's size, local rental rates, businesses in the area, site profile and desirability, and other factors. EDIBLE® Business locations typically are in strip shopping centers, street-level stores, and other venues in both downtown commercial areas and suburban areas. The location in all cases should have adequate facilities to refrigerate, store, and prepare your products and their ingredients and to service customers. The location should be visible, accessible to prospective customers, and conveniently located to make deliveries in your Delivery Area. The security deposit typically is for one month. The high end of the range reflects rent that might be due in higher-cost real estate markets (for example, California and New York). In our experience, a franchisee's rent obligation typically (but not always) starts approximately 90 days after the lease is signed; that coincides with the approximate date by which you must begin operating your Business.

3. Store-improvement costs—including architectural drawings, floor covering, wall treatment, ceilings, painting, window coverings, contractor's fees, and electrical, carpentry, and similar work—depend on the store's condition, location, and size; the demand for the site among prospective lessees; the site's previous use; the build-out required to conform the site for your Business; how many contractor bids you obtain for the work; and construction or other allowances the landlord is willing to grant. The lower figure assumes the existing space was previously an EDIBLE® location or the landlord bears many store-improvement costs (even though it then might amortize those costs by charging you higher monthly rent). The higher cost might be incurred in markets where contractor and other services are more expensive. "Vanilla Box" refers to a commercial building with a minimally-finished interior, i.e., usually with ceilings, lighting, plumbing, heating and cooling (HVAC), interior walls (painted or unpainted), electrical outlets, elevators, rest rooms, and a concrete floor.

4. This includes walk-in and/or display cooler, fruit-cutting equipment, fruit and other product-preparation equipment, millwork, containers, preparation counters, storage space, flooring, sinks, office furniture, point-of-sales system, digital menu, and computer (including installation), telephones, and facsimile machines.

5. You must buy or lease an approved delivery vehicle, with commercially-installed refrigeration and insulation, from our designated source and decorate it with our special graphics. Third-party financing is available. This figure shows the initial monthly payment based on a lease or loan term of 3 to 5 years. We estimate the total purchase cost at approximately \$21,600 to \$60,000 depending on which type of vehicle you choose.

6. This includes fresh fruit, chocolate, yogurt, toppings, gift baskets, packaging, non-branded paper products, cleaning supplies, uniforms, contract forms, invoices, brochures, statements, printing supplies, and office supplies.

7. You must spend at least \$5,000 on a grand opening marketing program, to be approved and managed in partnership with us.

8. You must obtain and maintain certain types and amounts of insurance as further described in Item 8. Insurance costs depend on policy limits, deductibles, types of policies, nature and value of physical assets, gross revenue, number of employees, square footage, location, business contents, and other factors bearing on risk exposure. For example, coastal regions might have higher premiums because of weather conditions and risks. Densely-populated and high-traffic metropolitan

areas (New York, for example) might have higher premiums for automobile coverage. Most franchisees pay their insurance premiums monthly if that option is available. However, 25% of the annual premium might be required as a first installment. This estimate is only for the insurance coverage we require. Any additional insurance that we recommend or that you otherwise purchase may be in addition to this estimate.

9. This estimates other costs you might incur in the start-up phase, including business licenses, legal and accounting fees, and deposits for telephone service and gas, electric, and other utilities.

10. This item estimates the funds needed to cover your initial expenses for the first 3 months of operation (besides the funds identified separately in the table). It includes payroll costs but not any draw or salary for you. You might need additional working capital during the first 3 months you operate your Business and for a longer time period afterward. This 3-month period is not intended, and should not be interpreted, to identify a point at which your Business will break even. Your costs will depend on whether you follow our methods and procedures; your management skill, experience, and business acumen; local economic conditions; the nature of the local market for your products and services; the prevailing wage rate; competition; and your Store's sales during the initial period. We relied on our affiliates' 20-plus years of operating, and our 20-plus years of franchising, EDIBLE® and EDIBLE® ARRANGEMENTS® Businesses to compile this Additional Funds estimate.

11. You should review these figures carefully with a business advisor before deciding to acquire the franchise. As set forth in Item 10, we do not offer financing directly or indirectly for any part of the initial investment. The availability and terms of financing depend on many factors, including the availability of financing generally, your creditworthiness and collateral, and lending policies of financial institutions from which you request a loan.

## **ITEM 8**

### **RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES**

You must operate the Business according to our mandatory specifications, standards, operating procedures, and rules ("System Standards"). System Standards may regulate, among other things: (1) the types, models, and brands of required fixtures, furniture, equipment (including fruit-cutting and other fruit-preparation equipment, credit card merchant and gift-card equipment, computer with high-speed Internet connection and related software, facsimile machine (or digital equivalent), and point-of-sale information system), furnishings, vehicles, and signs (collectively, "Operating Assets"); (2) food and other products, packaging and other preparation materials, trademarked items, and supplies required for the Business; (3) designated and approved suppliers (including and/or limited to us and our affiliates) of Operating Assets and the other items and services; and (4) the EDIBLE.COM Program.

We periodically will give you a list of any designated and approved manufacturers, printers, suppliers, and distributors of the Operating Assets, products, and services you need to operate the Business. We have the right to revise the list as we deem best. We also may limit the sources of these items to certain unaffiliated designated vendors, or to us and/or our affiliates, in which case you must acquire these items and services only from those limited sources at the prices they (or we) decide to charge. We have the absolute right to limit the suppliers with whom you may deal. We have the right to restrict your sources of certain items to protect trade secrets, to assure a reliable supply of products

meeting our standards, to achieve better purchase terms and delivery service, to control use of the Marks by third parties, and to monitor the manufacturing, packaging, processing, and sale of these items.

### *Our Affiliates*

We and our affiliates currently are approved or designated suppliers of the following items and services.

BerryDirect is the designated supplier of proprietary fruit-cutting and other fruit-preparation equipment (“Proprietary Equipment”), containers, packaging supplies, certain chocolate and confectionary items (some of which are manufactured by a designated source), and other related products. The Proprietary Equipment must be leased from BerryDirect with a one-time upfront lease payment. We will maintain ownership of all Proprietary Equipment in your possession during the franchise term. All Proprietary Equipment must be returned to us immediately upon the expiration or termination of your franchise term, or if you otherwise lose possession of the store location, cease operating the Business, or surrender or transfer control of the Business without our approval. You may not grant a security interest in the Proprietary Equipment for any financing you secure to operate the Business, and the Proprietary Equipment and the Franchise Agreement must be excluded from any grant of a security interest in the Business’s assets. Failure to return the Proprietary Equipment to us will result in a charge of \$15,000 for each piece of Proprietary Equipment that is not returned to us, in addition to all other damages we have available to us.

In addition to BerryDirect, our affiliate, Netsolace, is the designated supplier of the required computer system (hardware and software) as well as “Printible.” Printible is a software-based product category, which allows a customer to personalize and customize print solutions such as customizable greeting cards, photo cards, customizable inserts, and the like. The personalized solutions are printed at the Store and fulfilled as part of the order. Netsolace owns and maintains the personalization-software platform. Netsolace also maintains and operates the Franchise System Website, administers the technology platforms for our affiliates Edible.com, LLC and BerryDirect, LLC and provides Store-level technology and hardware solutions. Edible.com, LLC administers the EDIBLE.COM Program, including our Website and call center activities, which is the exclusive online and call center ordering system for the System, provided that you may take customer orders for your particular Business over the phone at your store location. Finally, our affiliate freshfruit.com will sell you the particular products it makes available to our franchisees (see Item 1) for resale to customers.

If our affiliates sell you items they also buy for use by EDIBLE® Businesses that our other affiliates periodically might own, or if our affiliates otherwise buy in bulk for resale, these affiliates will be operating as wholesalers in dealing with you and other franchisees and therefore may be charged prices on items for the affiliate-owned Businesses that are lower than the prices you pay for your Business. Any required or voluntary purchases you make from us or our affiliates, regardless of the role in which we or our affiliates sell the particular items to you, generally will be at prices exceeding our and their costs. Because they are affiliates, certain officers of ours naturally own an interest in Netsolace, Edible.com, LLC, BerryDirect, freshfruit.com, and any other affiliated entity doing business with you. However, our officers currently do not own an interest in any unaffiliated suppliers.

### *Other Approved Suppliers*

To maintain the quality of the goods and services that EDIBLE® Businesses sell and our system's reputation, we may condition your right to buy or lease Operating Assets, inventory, services, and other items (besides those described above that you may obtain only from us, our affiliates, and/or other specified exclusive sources) on their meeting our minimum standards and specifications and/or being acquired from approved suppliers. We will issue and modify standards and specifications based on our, our affiliates', and franchisees' experience with EDIBLE® Businesses. Our standards and specifications may impose minimum requirements for production, performance, reputation, prices, quality, design, and appearance. The media and materials comprising our Operations Manual and/or other communications will identify our standards and specifications. We will notify you and, where appropriate, the suppliers. There might be situations where you can obtain items and services from any supplier who can satisfy our requirements and, therefore, would be considered an approved supplier.

If you want to use any item or service we have not yet evaluated or to buy or lease from a supplier we have not yet approved or designated, you first must send us sufficient information and/or samples so we can determine whether the item or service complies with System Standards or the supplier meets approved supplier criteria. We may require you or the supplier to reimburse our costs for an inspection and evaluation and will decide within a reasonable time (no more than 90 days). We may periodically establish procedures for your requests and may limit the number of approved items, services, and/or suppliers as we think best. Supplier approval might depend on product quality, delivery frequency and reliability, service standards, financial capability, customer relations, concentration of purchases with limited suppliers to obtain better prices and service, and/or a supplier's willingness to pay us, our affiliates, and/or our system for the right to do business with our system. We and our affiliates have the right to receive payments from suppliers on account of their actual or prospective dealings with you and other franchisees and to use all amounts received without restriction for any purposes we and our affiliates deem appropriate (unless we and our affiliates agree otherwise with the supplier). Supplier approval might be temporary until we evaluate the supplier in more detail. We may inspect a proposed supplier's facilities during and after the approval process to make sure the supplier meets our standards. If it does not, we may revoke our approval by notifying the supplier and you in writing. We have no obligation to approve any request for a new supplier, product, or service, especially if we already have limited sources to certain unaffiliated designated vendors or to us and/or our affiliates.

Besides these purchases or leases, you must obtain and maintain, at your own expense, the insurance coverage we periodically require and satisfy other insurance-related obligations. You currently must have (i) general liability insurance: \$1 million per occurrence, \$1 million personal injury/advertising liability, \$10,000 medical payments, \$1 million Stop Gap coverage (certain states), and \$2 million general aggregate; (ii) auto liability and physical damage coverage: \$1 million combined single limit, \$1 million hired/non-owned liability, \$5,000 medical payments or Personal Injury Protection, and \$1 million uninsured/underinsured motorists liability; (iii) workers' compensation insurance prescribed by us or state law, whichever is greater; (iv) employers liability insurance: \$500,000/\$500,000/\$500,000; (v) property insurance (special form including wind and hail): 100% of the replacement cost of all business personal property (\$100,000 minimum); (vi) business income/extra expense: 12 months of sales; (vii) umbrella liability insurance to extend over both general liability and auto liability insurance: \$1 million; and (viii) employment practices liability insurance in an amount we specify with us named as the co-defendant. While you are not required to have more insurance than that listed above, we recommend



that you increase the policy limits of your umbrella liability insurance to \$5 million, have at least \$1 million in employment practices liability insurance, and obtain trade restoration insurance with coverage for claims and losses arising from foodborne illnesses and products liability. Premiums depend on the insurance carrier's charges, terms of payment, and your history.

The general liability insurance policy must name us as an "Additional Insured—Grantor of Franchise per form CG2029 or equivalent," and similarly name our affiliates as additional insured parties, for claims arising from your Business's operation. You should investigate the area in which you will operate to determine whether this insurance coverage is appropriate for your operations. You should consult with an insurance advisor to decide the coverage that is best for you. You must use an insurance company with an A.M. Best rating of not less than A-VII. We may require you to obtain insurance coverage through specific insurance brokers and companies. We may change the amounts and types of coverage as we think best. We may require you to participate in a master or group insurance policy we maintain for our system.

### *Store Development and Construction*

You are responsible for developing your store location (including if you relocate as part of the franchise renewal process). We must approve the architect and general contractor you hire to construct or remodel your Business. We reserve the right to designate preferred architects and general contractors you must use to construct or remodel your Business. We will give you mandatory and suggested specifications and layouts for an EDIBLE® Business. Any template plans we give you might not reflect the requirements of any federal, state, or local law, code, or regulation, including those arising under the Americans with Disabilities Act ("ADA") or similar rules governing public accommodations for disabled persons.

You must make sure the store location complies with the ADA and similar rules, other applicable ordinances, building codes, permit requirements, and lease requirements and restrictions. We may review and approve all final plans and specifications before you begin constructing the store location and all revised or "as built" plans and specifications during construction. Our review is only to ensure your compliance with our design requirements. We may inspect the store location during the development process for compliance with our design requirements. You are responsible for the selection and performance of architects, contractors, and subcontractors you hire to construct, develop, and maintain the store location and for ensuring that sufficient insurance coverage is in place during the construction process.

Your store location must be at a site we accept. We have the right to review and accept the location's lease or sublease and to require that it include (within its text or by rider or addendum) certain provisions regarding use of the site, permitted signage, your assignment only to us or our designee, build-out, and other terms we specify. All leases must be in writing. We may refuse to accept a lease (and therefore the location) if the lease does not contain the minimum terms we specify, even if this refusal delays your store's opening because you must find another location and negotiate another lease for our review. We also may require you (and the landlord) to sign a conditional lease assignment (or similar document) (i) confirming our right to take over (or to assign to a designee the right to take over) possession of the location upon your uncured default under the lease and loss of possession, upon your failure to exercise any lease options or your decision to exercise lease options through different entities,

or upon expiration or termination of the Franchise Agreement, (ii) confirming the landlord's willingness to turn over possession of the premises to us (or our designee) in these circumstances, and (iii) obligating the landlord to notify us if there is any change in lease status between you and the landlord, if you do not exercise your lease option rights, or if you seek to exercise lease options through different entities.

#### *Other Limitations on Product Sourcing*

You may not under any circumstances, without our prior written consent (which we need not grant), purchase, lease, transfer, or otherwise obtain any equipment, inventory, or Operating Assets from an existing or former EDIBLE® franchisee, whether or not that other franchisee's Business is operating or closed and whether or not such equipment, inventory, or Operating Assets meet our then-current standards and specifications. You must comply with our advertising restrictions and social media guidelines and policies (subject to applicable law).

Collectively, the purchases and leases described above are approximately 90% of your overall purchases and leases to establish and then operate the Business.

During the 2023 fiscal year, our affiliates collectively received a total of \$47,565,360.60 from our franchisees for directly selling containers and other inventory items, selling and leasing computer hardware, licensing software and other technology, and providing technology services. This information is from their internal unaudited records. We did not sell or lease any goods or services directly to our franchisees during 2023 and therefore derived no revenue from such activities.

We received a total of \$2,539,139.70 from unaffiliated vendors during 2023 on account of those vendors' sales to our franchisees. That amount represents 5.7% of our total 2023 revenue of \$44,499,327 (according to our 2023 audited financial statements).

There currently are no purchasing or distribution cooperatives. We currently negotiate, or in the future may negotiate, purchase arrangements (including price terms) with one or more suppliers for all supplies you need for your fruit arrangements, certain equipment, certain chocolate and confectionary items and other product inventory, and certain credit card, gift card, insurance, human resources, and third-party delivery platform services. In doing so, we seek to promote our franchise system's overall interests and our interests as the franchisor (and not for the benefit of a particular franchisee). We do not provide material benefits to you (for example, renewal or granting additional franchises) for purchasing particular products or services or using particular suppliers.

Except as described above, there are no goods, services, supplies, fixtures, equipment, inventory, computer hardware and software, real estate, or comparable items relating to establishing or operating the Business that you currently must buy or lease from us (or an affiliate) or designated suppliers.

**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 the disclosure document.**

OBLIGATION	SECTION IN AGREEMENT	DISCLOSURE DOCUMENT ITEM
a. Site selection and acquisition/lease	3.A. of Franchise Agreement	7, 8, 11, and 12
b. Pre-opening purchases/leases	3 of Franchise Agreement  Netsolace Software License and Maintenance Agreement	5, 7, 8, and 11
c. Site development and other pre-opening requirements	1 and 3 of Franchise Agreement	7, 8, and 11
d. Initial and ongoing training	6.A., B, C, and D of Franchise Agreement	6, 7, and 11
e. Opening	3.C., D, and E of Franchise Agreement	11 and 12
f. Fees	2.B.(6); 6.A.(3); 9; 12.C., D, and E; and 16.D.(1)(d) and 16.D.(2)(i) of Franchise Agreement  3, 6, 8, and 10.8 of Netsolace Software License and Maintenance Agreement	5, 6, and 7
g. Compliance with standards and policies/operating manual	4 of Franchise Agreement	8 and 11
h. Trademarks and proprietary information	7 and 8 of Franchise Agreement  2.6 and 5.1 of Netsolace Software License and Maintenance Agreement	13 and 14
i. Restrictions on products/services offered	4.C. of Franchise Agreement	8, 11, 12, and 16

OBLIGATION	SECTION IN AGREEMENT	DISCLOSURE DOCUMENT ITEM
j. Warranty and customer service requirements	4.B.(9) of Franchise Agreement 7 and 9.1 of Netsolace Software License and Maintenance Agreement	Not Applicable
k. Territorial development and sales quotas	1.C. of Franchise Agreement	12
l. On-going product/service purchases	4.C. and 5.A. of Franchise Agreement	6 and 8
m. Maintenance, appearance, and remodeling requirements	2.B.(3) and 4.D. of Franchise Agreement 10 of Renewal Rider	8, 11, and 17
n. Insurance	13 of Franchise Agreement	7 and 8
o. Advertising	10 of Franchise Agreement	6, 7, 8, and 11
p. Indemnification	14 of Franchise Agreement 8 of Netsolace Software License and Maintenance Agreement	6
q. Owner's participation/management/staffing	4.B.(10) of Franchise Agreement	11 and 15
r. Records and reports	9.J.(1) and 11 of Franchise Agreement	6
s. Inspections and audits	11 of Franchise Agreement	6 and 11
t. Transfer	16 of Franchise Agreement 10.3 of Netsolace Software License and Maintenance Agreement	17
u. Renewal	2 of Franchise Agreement 5 of Renewal Rider	17
v. Post-termination obligations	19 of Franchise Agreement 4.4 of Netsolace Software License and Maintenance Agreement	17

OBLIGATION	SECTION IN AGREEMENT	DISCLOSURE DOCUMENT ITEM
w. Non-competition covenants	15 of Franchise Agreement 2(a) of Principal's Agreement	17
x. Dispute resolution	20 of Franchise Agreement 11.8 of Netsolace Software License and Maintenance Agreement	17
y. Use of Audio and Video Devices and Social Media	5.E. of Franchise Agreement	8 and 11
z. Days and Hours of Operation*	4.B.(3) of Franchise Agreement	Item 16

\*You must open and operate the Business 7 days a week.

**ITEM 10**  
**FINANCING**

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

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

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

Before you open the Business, we will:

1. Provide you with a "Site Search Area" and our then-current minimum acceptable criteria for Edible® store locations, including criteria related to demographic characteristics; traffic patterns; parking; character of neighborhood; competition from, proximity to, and nature of other businesses; size; appearance; and other physical and commercial characteristics. You must look for an acceptable store location within the "Site Search Area." Site selection will be your sole responsibility; however, we may use reasonable efforts to help you determine feasibility of sites in the Site Search Area. The store location must be suitable for preparing and selling all products we require and authorize EDIBLE® Businesses to offer and sell.

We will accept or reject a proposed store location within 30 days after receiving your written proposal, which must include a summary of the criteria above, evidence confirming your favorable prospects for obtaining the location, a site evaluation report, photographs of the proposed site, and any other information we request. We will not unreasonably withhold our acceptance of a site meeting our criteria. We expect to sign the Franchise Agreement with you before you find the store location.

Regardless of whether the Franchise Agreement has been executed before you find the store location, you may not sign a lease for a store location in the Site Search Area until we accept in writing both the location and the proposed lease. You generally must select and lease your store location within 90 days after signing the Franchise Agreement and build out the store location and open your Business within 180 days after selecting your site. We may terminate the Franchise Agreement if you fail to do so. After you find and we accept your store's location within the Site Search Area, we will determine your Delivery Area. (Franchise Agreement – Sections 1.B., 1.C., and 3.A.) We do not own locations for lease to franchisees.

Much of the process described above applies if you must relocate your store as part of a franchise renewal when the original store location is not suitable to prepare and sell all the products required for the franchised Business. Your Renewal Rider will identify the timeframe within which you must relocate the store to a new site.

2. Accept your store location's written lease if it meets our requirements. (Franchise Agreement – Section 3.A.)

3. Give you mandatory and suggested specifications and layouts for the store location, including requirements for dimensions, design, image, interior layout, decor, Operating Assets, and color scheme. (Franchise Agreement – Section 3.B.(2))

4. As discussed in Item 8, identify the Operating Assets, food and other products, packaging and other preparation materials, trademarked items, and supplies you must use in developing and operating the Business; the minimum standards and specifications you must satisfy; and the designated and approved suppliers from whom you must or may buy or lease these items (which may be limited to and/or include us, our affiliates, and/or other specified exclusive sources). (Franchise Agreement – Sections 4.C.) Our affiliate will help you install the computer system you buy or subscribe from it. We also will provide specifications and direction on the fixtures, equipment, and signs to be installed in your location.

5. Give you access to our Operations Manual, the current table of contents of which is Exhibit D and which currently includes approximately 1,277 pages. (Franchise Agreement – Section 6.G.)

6. Netsolace will license its software to you. (Netsolace Software License and Maintenance Agreement – Section 2.1)

7. Train you (or your managing owner) and one on-site manager. (Franchise Agreement – Section 6.A.) We describe this training later in this Item.

During your operation of the Business, we will:

1. Advise you regarding the manner in which—based on your reports or our inspections and evaluations—operations at your Business promote and enhance the quality of the EDIBLE® brand. We also may provide recommendations to you on standards, specifications, and operating procedures and methods that EDIBLE® Businesses use, including operation of and your required participation in the EDIBLE.COM Program; purchasing required and authorized Operating Assets and other items and arranging for their distribution to you; advertising and marketing materials and programs; training of

supervisory employees; and administrative, bookkeeping, accounting, and inventory control procedures. Notwithstanding the foregoing, your participation in the EDIBLE.COM Program is at our discretion and subject to the terms more fully described in your Franchise Agreement. (Franchise Agreement – Section 5.D.) We may provide recommendations to you in our Operations Manual, bulletins, or other written materials; by electronic media; by telephone consultation; and/or at our office or the Business. (Franchise Agreement – Section 6.F.)

2. Give you additional or special guidance, assistance, and training at your cost if you request or we require it. (Franchise Agreement – Section 6.D.)

3. Continue to provide you access to our Operations Manual, which may consist of and is defined to include audio, video, computer software, flash-drives, other electronic media, and/or written and other tangible materials. The media and materials comprising the Operations Manual contain System Standards and information on your other obligations under the Franchise Agreement. We periodically may modify the substance of the Operations Manual to reflect changes in System Standards and your other operating requirements. At our option, we may post some or all of the substance of the Operations Manual on a restricted Website, intranet, or extranet to which you will have access, and which is deemed to be part of the Operations Manual. You must monitor and access the Website, intranet, or extranet for any updates to the substance of the Operations Manual or System Standards and return to us any hard copy of the Operations Manual. A “Website” means an interactive electronic document contained in a network of computers linked by communications software, including the Internet and World Wide Web home pages. (Franchise Agreement – Section 6.G.)

4. Modify System Standards for EDIBLE® Businesses, which may accommodate regional or local variations, and these modifications may require you to invest additional capital in the Business and/or incur higher operating costs. Our Franchise Agreement describes certain caps on the amounts we may require you to spend on capital modifications. To the fullest extent allowed by law, we also may regulate the maximum, minimum, or other prices you charge for your products and services. (Franchise Agreement – Sections 4.D. and E.)

5. Inspect the Business and observe and monitor its operation to help you comply with the Franchise Agreement and all System Standards and resolve operating issues. (Franchise Agreement – Section 12)

6. Let you use our and our affiliates’ confidential information. (Franchise Agreement – Section 8)

7. Let you use the Marks. (Franchise Agreement – Section 7)

8. Let you participate in the Franchise System Website’s features and functions. Notwithstanding the foregoing, your participation in the Franchise System’s Website is at our discretion and subject to the terms more fully described in your Franchise Agreement. (Franchise Agreement – Section 5.E.) We describe the Franchise System Website later in this Item.

9. Periodically offer refresher training courses. (Franchise Agreement – Section 6.C.)

10. Maintain a Marketing Fund (the “Fund”) for advertising, marketing, and public relations programs and materials we deem appropriate. You must contribute to the Fund the weekly (or, if applicable, daily) amounts we periodically require. Item 6 and the discussion below describe the ranges of the various advertising and marketing fees you must spend. Currently, the entirety of the Marketing Fees Contributions is the maximum cap of 5% of Gross Sales, as described in Item 6, of which 3.5% is collected and dedicated to the Fund and 1.5% of which is collected and redirected to Area Advertising Cooperatives, where applicable, or otherwise to be used for local advertising activities if there is not an Area Advertising Cooperative. EDIBLE® Businesses that we or our affiliates own will contribute to the Fund on the same percentage basis as franchisees. We have the right to collect for deposit into the Fund any advertising, marketing, or similar allowances paid to us by suppliers who deal with EDIBLE® Businesses and with whom we have agreed to so deposit those allowances.

We will direct all programs the Fund finances, with sole control over the creative concepts, materials, and endorsements used and their geographic, market, and media placement and allocation. The Fund may pay for preparing and producing video, audio, and written materials and electronic media (including social media); developing, implementing, maintaining, operating, and modifying a Franchise System Website and/or related strategies (including social media); maintaining or paying third parties to maintain a system-wide call center, toll-free numbers, and an on-line ordering and fulfillment system; administering regional and multi-regional (including national) marketing and advertising programs, including purchasing trade journal, direct mail, and other media advertising; using advertising, promotion, and marketing agencies and other advisors to provide assistance; and supporting public relations, market research, and other advertising, promotion, and marketing activities. The Fund will advertise locally, regionally and/or nationally in printed materials, on radio or television, and/or on the Internet, wherever we think best. We and/or an outside advertising agency and/or media agency will produce all advertising and marketing. The Fund periodically may give you samples of advertising, marketing, and promotional formats and materials at no cost. We, our affiliates, and/or third-party vendors will sell you multiple copies of these materials at the direct cost of producing them, plus any related shipping, handling, and storage charges.

We will account for the Fund separately from our other funds and not use the Fund for our general operating expenses. However, we may use the Fund to pay reasonable salaries and benefits of personnel who manage and administer the Fund; the Fund’s other administrative costs; travel expenses of personnel while on Fund business; meeting costs; overhead relating to Fund business; and other expenses we incur in activities reasonably related to administering or directing the Fund and its programs, including conducting market research, public relations, preparing advertising, promotion, and marketing materials, and collecting and accounting for Fund contributions (including taxes we must pay on Fund contributions we receive).

The Fund is not our asset but is not a trust. We have only a contractual obligation to hold all Fund contributions for the contributors’ benefit and to use contributions only for their permitted purposes (described above). We have no fiduciary obligation to you for administering the Fund. The Fund may spend in any fiscal year more or less than the total Fund contributions in that year, borrow from us or others (paying reasonable interest) to cover deficits, or invest any surplus for future use. We will use interest



earned on Fund contributions to pay costs before spending the Fund's other assets. The Fund will not be used principally to develop materials and programs to solicit new franchise sales. However, media, materials, and programs, including the Franchise System Website, prepared using Fund contributions may describe our franchise program, reference the availability of franchises and related information, and process franchise leads. We are not contractually required to make the finances or any audit of the Fund available for inspection by you or other franchisees. However, to the extent required by applicable law, we will provide you with an accounting (which may be unaudited) of the Fund's expenditures within 60 days after your written request for such accounting. We may incorporate the Fund or operate it through a separate entity when we think best. The successor entity will have all of the rights and duties described here.

Of the Fund's total 2023 expenditures, 79.33% was spent on online media placement, 3.97% was spent on storefront signage kits, 15.35% was spent on administrative costs, and 1.35% was spent on publicity and public relations and email marketing.

We intend the Fund to maximize recognition of the Marks and patronage of EDIBLE® Businesses. Although we try to use the Fund to develop advertising and marketing materials and programs, and to place advertising and marketing, benefiting all EDIBLE® Businesses, we need not ensure that Fund expenditures in or affecting any geographic area are proportionate or equivalent to Fund contributions by EDIBLE® Businesses operating in that geographic area or that any EDIBLE® Business benefits directly or in proportion to its Fund contribution from the development of advertising and marketing materials or the placement of advertising and marketing. (In other words, the Fund need not spend any specific amount in your market area. We also need not spend any amount on advertising in your market area.) We may, at the Fund's expense, use collection agents and institute legal proceedings to collect Fund contributions. We also may forgive, waive, settle, and compromise all claims by or against the Fund. We assume no other direct or indirect liability or obligation to you for collecting amounts due to, maintaining, directing, or administering the Fund.

We may at any time defer or reduce a franchisee's Fund contributions and, upon 30 days' prior notice to you, reduce or suspend Fund contributions and operations for one or more periods of any length and terminate (and, if terminated, reinstate) the Fund. If we terminate the Fund, we will distribute all unspent monies to franchisees, and to us and our affiliates, in proportion to their, and our, respective contributions during the preceding 12 months. (Franchise Agreement – Section 10.B.)

#### Other Advertising — Grand Opening, Local, Cooperative, and Special Programs

Grand Opening. You must conduct a grand opening marketing and advertising program for the Business according to our guidelines during the timeframe we specify (typically starting 1 month before and continuing 2 months after your Business begins operating). (Franchise Agreement — Section 3.A.)

Local. Besides your grand opening marketing/advertising, your Franchise Agreement requires you to spend to advertise and promote your Business, starting 2 months after you begin operating (or whenever we specify depending on when the grand opening marketing/advertising program concludes), the percentage of the Marketing Fees Contribution Cap that we require from time to time. Currently, 3.5% of the Marketing Fees Contribution Cap is collected and dedicated to the Fund and 1.5% of the Marketing

Fees Contribution Cap is collected and redirected to Area Advertising Cooperatives, where applicable, or otherwise to be used for local advertising activities if there is no Area Advertising Cooperative. We may, as we deem best, adjust (i.e., increase or decrease) the percentages among these required advertising expenditures throughout your franchise term within the Marketing Fees Contribution Cap. However, this cap does not affect funds potentially due under the “Special Programs” section below.

If there is no Area Advertising Cooperative for the market area in which your Business operates (because no Area Advertising Cooperative ever was formed or a past Area Advertising Cooperative has been dissolved or disbanded), we have the right to require you to pay us the proportion of the Marketing Fees Contribution Cap that we have prescribed for local advertising and promotion, which we will then spend for you in your local market for advertising and promotion materials and activities. We reserve this right whether or not you are willing to spend the required amounts on your own for local advertising and promotion, and, if we choose to handle the advertising and promotion materials and activities in your local market, we have the right to initiate debit entries to your checking, savings, or other account for the required amounts.

Your local advertising and promotion must follow our guidelines, including shared advertising procedures. To protect the goodwill we have accumulated in the “EDIBLE®” and “EDIBLE ARRANGEMENTS®” names and other Marks, before you use them, you must send us or our designated agency for approval samples of all advertising, promotional, and marketing materials that we have not prepared or previously approved. If you do not receive a response within 30 days, they are deemed to be disapproved. You must not use any advertising, promotional, or marketing materials we have not approved or have disapproved. (Franchise Agreement – Sections 10.A. and C.) You also must comply with System Standards for using social media in operating the Business or that references our Marks.

Area Advertising Cooperative. We have the right to designate one or more distinct geographic areas or any combination of geographic areas for one or more Area Advertising Cooperatives. Each Area Advertising Cooperative’s members will be the owners of all EDIBLE® Businesses located and operating in the distinct geographic area or, if combined, the multiple geographic areas (including us and our affiliates, if applicable). The geographic areas comprising an Area Advertising Cooperative, if there is more than one distinct geographic area in an Area Advertising Cooperative, need not be contiguous to one another or be in the same Designated Market Area (DMA). Each Area Advertising Cooperative will be organized and governed in a form and manner, and begin operating on a date, we determine. We have the right to change, dissolve, or merge any one or more Area Advertising Cooperatives in our sole judgment. Each Area Advertising Cooperative’s purpose is to create, implement, and administer advertising, marketing, and promotional programs and develop marketing materials for the benefit of the Area Advertising Cooperative’s members. If, as of your Franchise Agreement’s effective date, we have established an Area Advertising Cooperative for the geographic area in which your Business is located, or if we establish an Area Advertising Cooperative for that area during the franchise term, you automatically will become a member of the Area Advertising Cooperative and then must participate as we or the Area Advertising Cooperative’s governing documents require. We reserve the right to require you to contribute to the Area Advertising Cooperative the portion of the Marketing Fees Contribution Cap that we designate from time to time.

We have the right to require that an Area Advertising Cooperative be formed and operated under written by-laws or an operating agreement we approve (if we choose not to control on our own—which

we reserve the right to do—the formation, organization, operation, expenditures, and all other aspects of the Area Advertising Cooperative). If an Area Advertising Cooperative’s members cannot agree on any aspect of the Area Advertising Cooperative’s formation, administration, or operation (if we have chosen not to control that Area Advertising Cooperative), and the disagreement continues for 20 days after written notice to us, we have the authority to resolve the matter in our sole discretion. Our decision will be final and binding on all members of the Area Advertising Cooperative. As noted above, we have the right, whenever we deem best, to control the formation, organization, operation, expenditures, and all other aspects of the Area Advertising Cooperative, even if there is no disagreement among its members.

You must send us and the Area Advertising Cooperative any reports that we require, including information to confirm your compliance with your minimum contribution obligations. The Area Advertising Cooperative will operate only for the purpose of advertising, marketing, and promoting EDIBLE® Businesses (on a local-market basis if applicable) for the benefit of the Area Advertising Cooperative’s members. The Area Advertising Cooperative and its members may not use any advertising, marketing, or promotional plans or materials that we have not approved or, if applicable, are not permitted by the terms of the Area Advertising Cooperative’s by-laws or operating agreement. (Franchise Agreement – Section 10.D.)

As of this disclosure document’s issuance date, there are no Area Advertising Cooperatives operating or in the process of being formed.

There currently are no franchisee advertising councils. However, we may create, merge, change, or dissolve them.

Special Programs. Besides your Marketing Fees Contribution Cap obligations described above, you must participate in any national, regional, or local advertising or promotional programs approved by a majority of the franchisees operating within the particular geographic area and, to the extent there are insufficient monies in the Fund or one or more Area Advertising Cooperatives available for or allocated to these programs, to pay the necessary funds. (Franchise Agreement – Section 10.E.) The current participation level is 0% of Gross Sales.

Relocation Marketing Assistance Program. If you (1) relocate or remodel your Business during the initial or renewal franchise term or (2) transfer your store to an unrelated party, i.e., a person or entity that is not currently an owner of you (if you are an entity) or the Business, during the franchise term, then you must pay a minimum of \$5,000 (and up to \$10,000) to market the relocation of the Business or to alert the public that the Business is under new ownership. The amount of the expenditure will be set by us in our sole discretion according to our guidelines and during the timeframe we specify. (Franchise Agreement Section 9.H.)

### Computer System and Other Technology

You must obtain from Netsolace a designated computer-based point-of-sale (POS) system. (Franchise Agreement – Section 3.B.(k) and Netsolace Software License and Maintenance Agreement) The system we specify includes hardware and software components, including EDIBLE® “SMS” Store

Management System software, an approved current accounting program, digital signage, and various mobile and other applications. The computer system components may vary based on the services you provide but currently include the EDIBLE® “SMS” Store Management System, a Windows 10 POS or newer version, and Remote Access Software. The SMS and software-based training are proprietary to Netsolace. Other necessary software will be pre-loaded onto the computer hardware you buy or subscribe from Netsolace. The hardware is proprietary to the components’ manufacturers but must be bought or subscribed from Netsolace. We do not approve any compatible equivalent components.

We estimate the computer system’s cost, when purchased and including installation, to be \$15,000 to \$30,000. Netsolace charges a monthly fee to support the software on the computer system. This fee is currently \$160 to \$400 a month but may vary over time (depending on the number of users and locations).

However, if you elect the full subscription service (rather than the purchase option), the initial payment will be \$600 to \$1,200 (depending on the number of users and locations and length of the hardware subscription). A subscription for hardware will cost \$300 to \$600 per month (depending on the number of users and locations and length of the hardware subscription).

We have the right to change specifications, product descriptions, product quality, operating systems, applications, and pricing at any time without prior notice. The computer system performs various functions, for example, facilitates ordering, cash controls, and financial reporting; serves as a database; prints all daily, weekly, and monthly reports; provides secure cash storage linked to the POS terminal; provides connectivity and network security; facilitates communications with us and other parties we approve; handles database management; records and reports all sales, payments, discounts, purchases, and accounting data; and delivers training materials and content to you and your managers.

You must have a functioning email address so we can send you notices and otherwise communicate with you electronically. You may use your EDIBLE® and/or EDIBLE ARRANGEMENTS® email address and our communications network only for EDIBLE® and EDIBLE ARRANGEMENTS®-related business we authorize. We may monitor and review your email communications relating to the Business, although we will not have access to employee- or employment-related information.

You must upgrade the computer system, and/or obtain service and support, as we require or as necessary because of technological developments. There are no contractual limitations on the frequency and cost of this obligation. We need not reimburse you for any of these costs. We have independent, unlimited access to the information the computer system generates, except we will not have access to employee- or employment-related information for your Business’s employees, as you control exclusively your labor relations and employment practices.

We or our affiliates may condition any license of proprietary software to you, or your use of technology we or our affiliates develop or maintain (including proprietary training software and technology), on your signing the software license agreement or similar document we or our affiliates prescribe to regulate your use of, and our and your respective rights and responsibilities concerning, the software or technology. We or our affiliates may charge you up-front and recurring (e.g., weekly, monthly, or other) fees for any proprietary software or technology we or our affiliates license to you and for other maintenance and support services provided during the franchise term.

You must have high-speed internet service from a local internet service provider (ISP) according to our specifications. You also must have a wireless (LTE or 5G) failover plan in case of Internet service failures. Broadband internet pricing depends on your local ISP and the plan you choose. You must also purchase other technology and communications in accordance with our specifications, including a phone system and the other technology components set forth in the Operating Manual, which we may change in our sole discretion from time-to-time. Third-party products you buy do not provide ongoing maintenance, repairs, upgrades, or updates unless you obtain a service contract or a warranty. A service contract's cost depends on its term and coverage but could be approximately \$1,920 to \$3,600 per year.

### Franchise System Website

At our option, we may (but are not obligated to) establish one or more Websites (a) to advertise, market, and promote EDIBLE® Businesses, the products they offer and sell, and/or the EDIBLE® franchise opportunity, (b) through which to operate certain online aspects of the EDIBLE.COM Program, and (c) for any other purposes we determine are appropriate or necessary for the EDIBLE® and EDIBLE ARRANGEMENTS® system (each a "Franchise System Website"). We may allow you to participate in the Franchise System Website in our sole discretion. If we so allow, you must give us the information necessary to enable you to participate in the Franchise System Website. This information must be accurate and not misleading and not infringe any other party's rights. We will own all intellectual property and other rights in the Franchise System Website and the information it contains.

We may develop, maintain, operate, and update the Franchise System Website in our sole discretion and may, but are not obligated to, use the Fund's assets to do so or to charge an additional fee for such development. You must pay our then-current fee to be on and/or participate in the various aspects of the Franchise System Website or as we otherwise require to maintain and operate the various features and functions of the Franchise System Website (if the Fund or our affiliate does not pay, or to the extent the Fund or our affiliate does not pay, for these costs). System Standards may regulate the Franchise System Website. We may suspend your participation in the Franchise System Website, including the on-line aspects of the EDIBLE.COM Program, at any time. You may not develop, maintain, or authorize any other Website mentioning or describing you or your Business or displaying the Marks. (Franchise Agreement – Section 5.E.) You may use the Internet only to the extent consistent with our system's rules.

### Opening

We estimate it will be up to 270 days after you sign the Franchise Agreement and pay the initial franchise fee before you open your store location. The specific opening timetable depends on how long it takes you to find and lease the site; the site's condition; the construction schedule; the delivery schedule for equipment and supplies; completing training; and complying with local laws and regulations. You must select a site for your store location within 90 days after signing the Franchise Agreement and open the Business within 180 days after we approve your site. (Franchise Agreement – Section 3.A.) Otherwise, we may terminate the Franchise Agreement.

Training

Before the Business opens, we will train you (or your managing owner and one on-site manager) (“Managers”) on operating an EDIBLE® Business, but excluding aspects relating to labor relations and employment practices. Training will occur at your Store location or at another store location we designate in our sole discretion. Training may include an apprenticeship program, store training, corporate training, computer training, administrative functions, and other topics, all to be conducted at a training facility we choose and at your store location. Training for operation of a Business will last from 5 days up to 2 weeks depending on your Managers’ prior business experience and needs. Managers must complete initial Manager Certification training to our satisfaction and participate in all other activities required to operate the Business. After completing the Manager Certification training program, Managers must pass an operations proficiency test, entitling them to receive their certification. Although we do not charge separately to train your Managers, you must pay all training-related costs (including travel and living expenses, employees’ wages, and workers’ compensation insurance). Training may include on-line or other training and self-paced homework assignments that participants must successfully complete before proceeding to the next training stage. Otherwise, Managers must wait and start over at the next available training program. Even before formal training begins, we may require your Managers to take and pass various on-line and other tests and business courses to prepare for their entry into the EDIBLE® System. If your Managers cannot complete initial training to our satisfaction, we may terminate the Franchise Agreement. (Franchise Agreement – Section 6.A. and B.)

Training will begin after you sign the Franchise Agreement and while you are developing the store location. Most aspects of the training program must be completed before you may begin operating your Business. Training will be scheduled at least several weeks before the Business’s anticipated opening date. We plan to be flexible in scheduling training to accommodate our personnel, you, and your personnel. However, we currently conduct regularly-scheduled training programs each year. As of this disclosure document’s issuance date, we provide the following training:

**TRAINING PROGRAM**

Column 1 Subject	Column 2 Hours of Classroom Training Self-Paced	Column 3 Hours of On-The-Job Training	Column 4 Location of Training
Introduction to Edible Brands Getting to know your community Unit Level Economics I Our Support Model	15-25 Hours	0	Online, your Store location, or another store we designate*
Edible Business Operations	0	30 Hours	Your Store location or another store we designate*
Unit Level Economics II	0	10 Hours	Your Store location, or another store we designate*

Column 1 Subject	Column 2 Hours of Classroom Training Self-Paced	Column 3 Hours of On-The-Job Training	Column 4 Location of Training
Tech Systems Training	0	5 Hours	Your Store location, or another store we designate*
Validation of Knowledge, Skills, and Abilities	0	5 Hours	Your Store location, or another store we designate*

\*The other designated training store will depend on proximity to your Store and what is most convenient for you and us.

We use manuals, proprietary software and technology, videos, charts, and/or other training aids during the training program. While various employees will be involved in day-to-day aspects of the training program and assist in the areas in which they have gained experience while working for us, these employees ultimately are supervised by Jeffrey Conway, our current Sr. Director of Operation Service. Mr. Conway has over 20 years of experience in training and development, including more than 30 years in various franchise systems. He has been involved in all aspects of our training program since 2013.

We have the right to require you to complete certain aspects of initial and ongoing training by accessing our and our affiliates’ proprietary training software and technology on-line through the computer system.

We have the right to require your Managers to attend up to 5 additional days of training at our designated location during the Business’s first year of operation if we believe this additional training is necessary. You must complete all training to our satisfaction and pay all attendance costs.

In addition to the initial training, we may require your Managers or other personnel to participate in training during the franchise term as we deem necessary based on various factors, including store performance, quality control, changes or modifications to the system, or your acquisition of additional EDIBLE® Businesses. Further, if you hire new or additional on-site managers during the franchise term, they must satisfactorily complete our then-current initial and other pre-opening training programs. We have the right to charge a training fee for this additional training, and you must pay all attendance costs.

All training attendees must be able to speak, read, write, and understand the English language fluently so they can participate in our training program (conducted in English) and communicate clearly with customers and other third parties. In addition, there always must be at least 1 manager at your store who can speak, read, write, and understand the English language fluently.

At least one of your representatives (an owner or another person we approve) must attend, at the locations we designate, the annual or biennial conventions we conduct for EDIBLE® Business franchisees. You must pay the applicable convention fee and all other costs for your representative to

attend. You must pay the convention fee even if your representative does not attend (whether or not we excuse that non-attendance). If we do not excuse your representative from attending a convention, that absence will be a default under the Franchise Agreement.

## **ITEM 12** **TERRITORY**

You will operate your Business within a non-exclusive geographic area called a Delivery Area. Your Delivery Area will encompass a working and/or living population of at least 75,000 people and is defined (and revised) periodically as we deem appropriate, for example, by cities, counties, zip codes, streets, highways, natural boundaries, or other markers. You likely will not have a specific, unchanging geographic configuration for your Delivery Area. However your Delivery Area is defined (and revised) during the franchise term in terms of geographic markers, your Delivery Area always will encompass a working and/or living population of at least 75,000 people (“Population Threshold”) (which we determine using sources that evaluate various demographic factors). However, if you default on your Franchise Agreement, we may reduce the Population Threshold for your Delivery Area below 75,000 in our sole discretion. We will identify your Delivery Area after you sign the Franchise Agreement and find your store location because, until you find your store location within the Site Search Area, we cannot know for sure which areas will be best for you to service from that location. You will not receive an exclusive territory. You may face competition from other franchisees, from outlets that we own, or from other channels of distribution or competitive brands that we control.

Within 120 days after signing the Franchise Agreement, you must find and lease your store location. You must open your Business within 60 days after finding and leasing your store location. You will look for the location within a “Site Search Area.” We must accept the location and its lease before you sign the lease. You must have a written lease for the location. The store location must be suitable for preparing and selling all products we require and authorize EDIBLE® Businesses to offer and sell.

You may relocate your store only with our advance approval, which might take up to 90 days to obtain. Whether or not we would allow relocation depends on the circumstances and what is in your Business’s and our system’s best interests. Factors include, for example, the area of the new location, its proximity to other stores in our system, whether you are in compliance with your Franchise Agreement, whether you properly de-identify the old location, and how long it will take you to open at the new location. If the relocation is approved, you must build out and upgrade your store to the current store prototype minimum standards, including equipment, signage, technology, and menu. In addition, you must pay \$5,000 to execute a corporately-sponsored advertising and marketing program to support the relocation. We may require you to relocate your store as part of a franchise renewal if the original store location cannot accommodate all the products you must sell as part of the franchised Business, or if the brand standards or market/population changes in such a way as to necessitate a move to maintain the viability of the store’s sales.

You must accept and fulfill orders for delivery to those customers and/or recipients located within the Delivery Area only. You must service the Delivery Area 7 days a week, including major holidays as we require, at the hours we set forth. Failure to provide such service may result in a reduction in your Delivery Area or our exercise of the other remedies available to us, including termination of the Franchise



Agreement. You may not without our express authorization, by any means (including by Internet, catalog sales, telemarketing, or other direct marketing), accept or fulfill orders for delivery to customers and/or recipients located outside the Delivery Area.

Because you have no exclusivity, we and our affiliates have the unrestricted right to engage, and/or grant to other franchisees and third parties the right to engage, in any activities we and our affiliates desire through any distribution channels (including by Internet, catalog sales, telemarketing, or other direct marketing) within the Delivery Area and elsewhere. These permitted activities include:

- i. establishing and operating, and allowing others to establish and operate, EDIBLE® Business stores at any locations and in any areas;
- ii. allowing other franchisees and third parties to accept and fulfill orders for any and all products (whether identical or similar to, and/or dissimilar from, the products prepared, offered, and/or sold by your Business), whether under the Marks or other trademarks and regardless of where prepared or from where shipped, for delivery to customers and/or recipients located within the Delivery Area; and
- iii. engaging in all other activities not expressly prohibited by the Franchise Agreement.

We need not compensate you for any of these activities. Your Delivery Area or other permitted service areas may overlap partially or even completely with the territories, delivery areas, or other permitted service areas of one or more other franchisees, whether those franchises were granted before or are granted after the date of your Franchise Agreement.

If, despite the express restrictions in your Franchise Agreement, we allow you to accept or fulfill orders for delivery to customers and/or recipients located beyond your Delivery Area (though we are not obligated to do so), you do so with the understanding that this opportunity is only temporary. Those other permitted service areas (and the population in them) do not become part of your Delivery Area (however we have defined it as of that time). We may revoke our approval at any time and for any or no reason and may communicate our decision to you in writing, by email, or through our Franchise System Website and Intranet. Once we revoke our approval, you must immediately cease accepting and fulfilling new orders for delivery in those other service areas and confine your activities to the Delivery Area.

We may prohibit you from selling your Business's products and services to certain categories of customers if we and/or our affiliates have established account arrangements restricting the customers (typically competitors of the account) with whom EDIBLE® Businesses may do business. You must comply with our directions and restrictions. We also may condition your right to do business with an account on your complying with the terms we and/or our affiliates have negotiated with the account for the sale to or through the account of EDIBLE® products and services.

You have no options, rights of first refusal, or similar rights to acquire additional franchises. We and our affiliates have not established, and currently have no plans to establish, other franchises or

company-owned outlets or another distribution channel selling or leasing similar products or services under a different trademark (although we have the right to do so).

Continuation of your franchise does not depend on your achieving a certain sales volume, market penetration, or other contingency. We may alter your Delivery Area in our sole discretion, except that we will not alter your Delivery Area below the Population Threshold, except as otherwise described above.

**ITEM 13**  
**TRADEMARKS**

You may use certain Marks while operating the Business. The principal Marks, all of which are owned by Edible IP and registered on the Principal Register of the United States Patent and Trademark Office (USPTO), are:

MARK	REGISTRATION NUMBER ON PRINCIPAL REGISTER	DATE OF REGISTRATION	AFFIDAVITS OF USE AND INCONTESTABILITY FILED?	REGISTRATION RENEWED?
EDIBLE ARRANGEMENTS	2,934,715	03/22/2005	Yes	Yes
EDIBLE ARRANGEMENTS	4,328,107	04/30/2013	Yes	Yes
EDIBLE ARRANGEMENTS	3,844,160	09/07/2010	Yes	Yes
EDIBLE ARRANGEMENTS	2,934,715	03/22/2005	Yes	Yes
EDIBLE ARRANGEMENTS	2,356,362	06/06/2000	Yes	Yes
EDIBLE	5,614,310	11/27/2018	Not Due	Not Due
EDIBLE	4,319,940	04/16/2013	Yes	Yes
EDIBLE TO GO	4,068,508	12/06/2011	Yes	Yes
Basket Design (Black & White)	3,264,221	07/17/2007	Yes	Yes
Basket Design (Color)	4,361,480	07/02/2013	Yes	Not Due
Basket Design	3,343,733	11/27/2007	Yes	Yes
Edible & Basket Design	5,513,739	07/10/2018	Not Due	Not Due
EDIBLE.COM	6,062,806	05/26/2020	Not Due	Not Due

MARK	REGISTRATION NUMBER ON PRINCIPAL REGISTER	DATE OF REGISTRATION	AFFIDAVITS OF USE AND INCONTESTABILITY FILED?	REGISTRATION RENEWED?
EDIBLE (& Design) (basket logo)	6,102,657	07/14/2020	Not Due	Not Due
Basket Design (Black & White)	6,590,537	12/14/2021	Not Due	Not Due
EDIBLES	6,008,992	03/10/2020	Not Due	Not Due
EDIBLE.COM	6,608,893	01/04/2022	Not Due	Not Due

Edible IP intends to renew each registration before it expires if the Mark still is relevant to the EDIBLE® system.

Edible IP has licensed us to use and sublicense the Marks in our franchise program. The initial term of our license agreement with Edible IP (effective May 1, 2001) was 20 years with 3 successive 10-year renewal terms as long as we are not in default of our obligations. Edible IP may not terminate the license agreement unless we are in default and fail to cure the default within not less than 30 days. If Edible IP's license to us expires or is terminated, your rights under the Franchise Agreement will not be affected. You will have the right to operate your Business during both the remaining franchise term and any permitted successor franchise term as long as you comply with all of your obligations.

You must follow our and Edible IP's rules when you use the Marks, including giving proper notices of trademark and service mark registration and obtaining fictitious or assumed-name registrations the law requires. You may not use any Mark in your corporate or legal business name; with modifying words, terms, designs, or symbols (except for those we license to you); in selling any unauthorized services or products; or as part of any domain name, homepage, electronic address, or otherwise in connection with a Website (unless it is our approved Franchise System Website). Except for our license agreement with Edible IP, no agreement limits our right to use or license the Marks. To the extent you use any Mark in employment-related materials, you must include a clear disclaimer that you (and only you) are the employer of employees at the Business and that we, as the franchisor of EDIBLE® Businesses, are not their employer or joint employer and do not engage in any employer-type activities for which only franchisees are responsible, such as employee selection, promotion, termination, hours worked, rates of pay, other benefits, work assigned, discipline, adjustment of grievances and complaints, and working conditions.

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, and no pending infringement, opposition, or cancellation proceedings or material litigation, involving the principal Marks.

We do not actually know of any superior prior rights or infringing uses that could materially affect your use of the Marks in any state.

You must notify us immediately of any apparent infringement or challenge to your use of any Mark or of any person’s claim of any rights in any Mark. You may not communicate with any person other than us, Edible IP, and our attorneys regarding any infringement, challenge, or claim. We and Edible IP may take the action we deem appropriate (including no action) and control exclusively any litigation, USPTO proceeding, or other administrative proceeding arising from any infringement, challenge, or claim. You must help us protect and maintain our and Edible IP’s interests in any litigation or USPTO or other proceeding. We or Edible IP will reimburse your reasonable costs of taking any action requested by us or Edible IP associated with a litigation, USPTO proceeding, or other proceeding under our or Edible IP’s control.

If it becomes advisable at any time for us and/or you to modify or discontinue using any Mark and/or to use one or more additional, substitute, or replacement trade or service marks together with or instead of any previously designated Mark, you must comply with our directions within a reasonable time after receiving notice. We need not reimburse your direct expenses of changing the Business’s signs, your lost revenue due to any modified or discontinued Mark, or your expenses of promoting a modified or substitute trademark or service mark.

We will reimburse your damages and expenses incurred in any trademark infringement proceeding disputing your authorized use of any Mark under the Franchise Agreement if you timely notify us of, and comply with our directions in responding to, the proceeding. At our option, we and/or Edible IP may defend and control the defense of any proceeding arising from your use of any Mark.

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

Edible IP and Netsolace have applied for and been issued various United States patents with the USPTO to cover certain items. Although many patents have issued, there still are many applications pending. You may use the patents to the extent they are incorporated in the items you buy and/or are permitted to use while operating your Business.

PATENT NUMBER (P) (IF ISSUED) OR SERIAL NUMBER (S) (IF NOT YET ISSUED)	FILING DATE	TYPE OF PATENT	TITLE	CURRENT OWNER / APPLICANT
7,052,059 (P)	08/10/2004 (Issued 05/30/2006)	Utility	Fruit Skewer	Edible IP
7,568,414 (P)	09/01/2005 (Issued 08/04/2009)	Utility	Melon Wedger	Edible IP

PATENT NUMBER (P) (IF ISSUED) OR SERIAL NUMBER (S) (IF NOT YET ISSUED)	FILING DATE	TYPE OF PATENT	TITLE	CURRENT OWNER / APPLICANT
8,397,943 (P)	07/22/2009 (Issued 03/19/2013)	Utility	Method and Device for Removing Rinds from a Food Item	Edible IP
8,495,941 (P)	10/09/2008 (Issued 07/30/2013)	Utility	Sectioning Device and Method of Use	Edible IP
8,460,000 (P)	11/18/2008 (Issued 06/11/2013)	Utility	Computed Implemented Method for Facilitating Prescribed Business Operations	Netsolace
8,474,616 (P)	01/30/2009 (Issued 07/02/2013)	Utility	Support for Food Product Arrangement and Method for Assembling an Arrangement	Edible IP
8,555,763 (P)	06/18/2010 (Issued 10/15/2013)	Utility	Sectioning Device and Method of Use (Hybrid)	Edible IP
9,375,858 (P)	07/22/2009 (Issued 05/21/2019)	Utility	Method and Device for Removing Rinds from a Food Item	Edible IP
10,294,017 (P)	08/17/2016 (Issued 05/21/2019)	Utility	Gift Package for Fresh Cut Fruit	Edible IP
10,301,071 (P)	03/18/2014 (Issued 05/28/2019)	Utility	Arrangement Container System	Edible IP
10,266,337 (P)	01/30/2017 (Issued 04/23/2019)	Utility	Fruit Arrangement	Edible IP
D692,278	04/23/2012 (Issued 10/29/2013)	Design	Container	Edible IP
D695,570 (P)	04/23/2012 (Issued 12/17/2013)	Design	Cupcake Container	Edible IP
D718,618 (P)	04/23/2012 (Issued 12/21/2014)	Design	Pyramid Box Blank	Edible IP

PATENT NUMBER (P) (IF ISSUED) OR SERIAL NUMBER (S) (IF NOT YET ISSUED)	FILING DATE	TYPE OF PATENT	TITLE	CURRENT OWNER / APPLICANT
D676,290 (P)	06/27/2012 (Issued 02/19/2013)	Design	Fruit Cutter Star Multi-Cutter	Edible IP
D711,198 (P)	06/27/2012 (Issued 08/19/2014)	Design	Fruit Cutter Cupcake Cutter	Edible IP
D695,487 (P)	06/27/2012 (Issued 12/12/2013)	Design	Fruit Arrangement Cupcake with Skewer	Edible IP
D738,723 (P)	09/26/2012 (Issued 09/15/2015)	Design	Octagonal Box	Edible IP
D722,889 (P)	07/23/2013 (Issued 02/24/2015)	Design	Container	Edible IP
D725,443 (P)	07/23/2013 (Issued 03/31/2015)	Design	Cutter	Edible IP
D717,129 (P)	07/23/2013 (Issued 11/11/2014)	Design	Skewer	Edible IP
D728,323 (P)	08/03/2013 (Issued 05/05/2015)	Design	Cutter	Edible IP
D725,973 (P)	08/03/2013 (Issued 04/07/2015)	Design	Cutter	Edible IP
D725,973 (P)	08/03/2013 (Issued 04/07/2015)	Design	Cutter	Edible IP
D725,444 (P)	08/03/2013 (Issued 03/31/2015)	Design	Cutter	Edible IP
D757,394 (P)	04/06/2014 (Issued 05/31/2016)	Design	Fruit Arrangement Design	Edible IP
D770,911 (P)	08/08/2014 (Issued 11/08/2016)	Design	Packaging Berry Box	Edible IP
D799,911 (P)	02/08/2013 (Issued 10/17/2017)	Design	Fruit Cutter	Edible IP
D808,824 (P)	08/04/2016 (Issued 01/30/2018)	Utility	Shareable Apple Box	Edible IP
D825,377 (P)	03/02/2017 (Issued 08/14/2018)	Design	Shareable Apple Box	Edible IP

PATENT NUMBER (P) (IF ISSUED) OR SERIAL NUMBER (S) (IF NOT YET ISSUED)	FILING DATE	TYPE OF PATENT	TITLE	CURRENT OWNER / APPLICANT
D809,740 (P)	12/01/2016 (Issued 02/13/2018)	Design	Confection	Edible IP
D848,266 (P)	02/05/2018 (Issued 05/14/2019)	Design	Customizable Container	Edible IP
D850,055 (P)	03/16/2018 (Issued 06/04/2019)	Design	Chick Cake	Edible IP
D853,712 (P)	02/23/2018 (Issued 07/16/2019)	Design	Window Box with Handles	Edible IP
D855,933 (P)	02/27/2018 (Issued 08/13/2019)	Design	Drip Cake	Edible IP
D857,331 (P)	11/22/2017 (Issued 08/27/2019)	Design	Apple Donuts with Coatings	Edible IP
D859,780 (P)	12/01/2016 (Issued 09/17/2019)	Design	Mocktail Fruit Arrangement	Edible IP
D869,951 (P)	05/13/2019 (Issued 12/17/2019)	Design	Customizable Container	Edible IP
D897,162 (P)	08/04/2016 (Issued 09/29/2020)	Design	Shareable Apple Container	Edible IP
D903,977 (P)	09/09/2016 (Issued 12/08/2020)	Design	Edible Cakes	Edible IP
10,266,337 (P)	01/30/2017 (Issued 04/23/2019)	Design	Martini Glass Container	Edible IP
10,294,017 (P)	08/18/2016 (Issued 05/21/2019)	Utility	Gift Package for Fresh Cut Fruit	Edible IP
10,926,922 (P)	11/27/2019 (Issued 02/23/2021)	Utility	Arrangement Container System	Edible IP
D935,733 (P)	11/16/2021 (Issued 11/16/2021)	Design	Edible Cakes	Edible IP

No other patents or patent applications are material to the franchise. Once issued, patents generally continue for 20 years from the initial filing date.

We and our affiliates claim copyrights in the Operations Manual (containing trade secrets), advertising and marketing materials, production posters, videos, computer software, numerous product arrangements, and similar items used in operating EDIBLE® Businesses. In fact, Edible IP has copyright registrations with the United States Copyright Office for numerous product arrangements. Edible IP intends to renew these copyrights when they expire if they still are relevant to the EDIBLE® system. We and Edible IP have not registered the other copyrighted items with the United States Copyright Office but need not do so at this time to protect them. You may use these items only as we specify while operating your Business (and must stop using them if we so direct you). Edible IP has licensed us to use its copyrights. We describe this license agreement in Item 13.

There currently are no effective adverse material determinations of the USPTO, the United States Copyright Office, or any court regarding the patents or copyrighted materials. Except for our agreement with Edible IP, no agreement limits our right to use or allow others to use the patents or copyrighted materials.

We do not actually know of any infringing uses of our or Edible IP's patents or copyrights that could materially affect your use of the patents or copyrighted materials in any state. We and Edible IP need not protect or defend patents or copyrights, although we intend to do so if in the system's best interests. We and Edible IP may control any action we choose to bring, even if you voluntarily bring the matter to our attention. We and Edible IP need not participate in your defense and/or indemnify you for damages or expenses in a patent or copyright proceeding. We may require you to stop using a patented item in our sole judgment. You must comply with our directions.

Our Operations Manual and other materials contain our and our affiliates' confidential information (some of which are trade secrets under applicable law). This information includes site selection criteria; training and operations materials and manuals, including proprietary training software; methods, formats, specifications, standards, systems, procedures, food preparation techniques, sales and marketing techniques, knowledge, and experience used in developing and operating EDIBLE® Businesses; marketing and advertising programs for EDIBLE® Businesses; any computer software or similar technology that is proprietary to us or our affiliates, including training software and technology; knowledge of specifications for and suppliers of Operating Assets, products, and supplies; knowledge of the operating results and financial performance of EDIBLE® Businesses other than your Business; and graphic designs and related intellectual property.

Our confidential information also includes the standards, process, information, and technology involved in creating, developing, operating, maintaining, and enhancing the various means by which customer orders are placed with and submitted to the EDIBLE® System, received by the EDIBLE® System, and then referred to franchisees (and, where applicable, other parties) for preparation, fulfillment, and delivery or pick-up. These means include the Franchise System Website, a system-wide call center (i.e., toll-free numbers or their equivalent), "inter-franchise" orders, corporate account or gift programs with dedicated business customers, and co-branding and other collaborative marketing activities with other businesses. These means also include other activities, currently existing or to be developed in the future, intended to generate and/or facilitate the processing, preparation, and fulfillment of customer orders for the EDIBLE® System. All of these customer order solicitation, processing, placement, and referral activities are referred to collectively as the "EDIBLE.COM Program" (formerly known as the



“EDIBLE CONNECT PROGRAM” or “EACONNECT Program”). The EDIBLE.COM Program may be administered by us, our affiliates, or unaffiliated third parties as we deem best.

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

You may not use confidential information in an unauthorized manner. You must take reasonable steps to prevent its improper disclosure to others and use non-disclosure agreements with those having access to and obtaining knowledge of confidential information. We may review and pre-approve the forms of non-disclosure agreements you use—solely to ensure you adequately protect confidential information and the competitiveness of EDIBLE® Businesses—and be third-party beneficiaries of those agreements with independent enforcement rights. Under no circumstances will we control the forms or terms of employment agreements you use with Business employees or otherwise be responsible for your labor relations or employment practices.

You may not, without our express approval, use any recording, video, photographic, or digital devices (audio or video) within the store location while operating the Business that create content that can be uploaded to a website (e.g., YouTube) or electronically, digitally, or otherwise shared with others. Nor may you post or blog comments about the Business or our system other than on an authorized Franchise System Website, unless such activities are protected under applicable law. You must follow our System Standards regarding use of social media in operating your Business or that references the Marks (“social media” includes personal blogs, common social networks like Facebook, professional networks like LinkedIn, live-blogging tools like Twitter, virtual worlds, file, audio and video-sharing sites, and other similar social networking or media sites or tools).

#### **ITEM 15**

#### **OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISE BUSINESS**

You must at all times faithfully, honestly, and diligently perform your contractual obligations. System Standards may regulate the dress and general appearance of Business employees. However, you have sole responsibility and authority for your labor relations and employment practices, including employee selection, promotion, termination, hours worked, rates of pay, other benefits, work assigned, discipline, adjustment of grievances and complaints, and working conditions. Business employees are under your control at the Business.

Although we recommend it, you (or your managing owner) need not participate personally in the Business’s on-site operation. However, you then must hire a full-time on-site manager to handle and supervise the Business’s daily operation. Your manager must satisfactorily complete our initial training and be certified. At least one manager must pass the operations proficiency test and receive management certification. Your manager need not have an equity interest in you or the Business but must agree in writing to preserve confidential information to which he or she has access. Your full-time on-site manager

must reside in the state where your Store operates. You must notify us of any changes in your on-site manager.

If you are a corporation, limited liability company, or partnership, your owners must personally guarantee your obligations under the Franchise Agreement and agree to be bound personally by every monetary and non-monetary obligation, including the covenant not to compete. This “Guaranty and Assumption of Obligations” is at the end of the Franchise Agreement. We also may require your directors, officers, and other key personnel to agree to comply with the non-monetary obligations in the Franchise Agreement by signing our Principal’s Agreement (Exhibit G). A spouse of any of your owners need not sign the Guaranty and Assumption of Obligations unless he or she also is an owner.

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

You must offer and sell all products and perform all services we periodically require for EDIBLE® Businesses. You may not offer or sell any products or perform any services we have not authorized. Our System Standards may regulate, and we periodically may change, required and/or authorized products and services. There are no limits on our right to do so. To the fullest extent allowed by law, we may regulate the maximum, minimum, or other prices you charge for your products and services, including requiring both your participation in system-wide discount programs and promotions and your acceptance of the revenue allocation we negotiate with other businesses in co-branding and other collaborative marketing activities. You may operate your Business only at the locations and/or in the areas we authorize. You must open and operate the Business 7 days a week according to the standard operating hours published within the Operations Manual. You must also open on all holidays for the hours provided in the Operating Manual. Failure to open and operate on the days and hours we require may result in a reduction in your Delivery Area, including below the Population Threshold, in addition to the exercise of other remedies including termination of the Franchise Agreement.

**ITEM 17**  
**RENEWAL, TERMINATION, TRANSFER, AND DISPUTE RESOLUTION**

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

PROVISION	SECTION IN FRANCHISE OR OTHER AGREEMENT	SUMMARY
a. Length of the franchise term	2.A. of Franchise Agreement  5 of Renewal Rider  4.1 of Netsolace Software License and Maintenance Agreement	Starts on date Franchise Agreement is signed and expires 10 years from first day of lease for Store location.  If you are in process of renewing your existing franchise because it soon will expire, the renewal/successor franchise term generally is 10 years depending on

PROVISION	SECTION IN FRANCHISE OR OTHER AGREEMENT	SUMMARY
		<p>what your existing Franchise Agreement says.</p> <p>No specific term for Netsolace Software License and Maintenance Agreement.</p>
<p>b. Renewal or extension of the term</p>	<p>2.B. of Franchise Agreement</p> <p>5 of Renewal Rider</p>	<p>If you are in good standing and satisfy certain conditions, you may renew for one additional 10-year term.</p> <p>If you are in process of renewing your existing franchise because it soon will expire, you generally do not have further renewal rights when the renewal term ends because your original Franchise Agreement committed us to only one 10-year renewal term.</p>
<p>c. Requirements for franchisee to renew or extend</p>	<p>2.B. of Franchise Agreement</p> <p>5 of Renewal Rider</p>	<p>Your renewal right permits you to renew your franchise after the initial term of your Franchise Agreement expires. However, to remain a franchisee, you must meet all required conditions to renewal, including signing our then-current form of Franchise Agreement, which may be materially different than your current form of Franchise Agreement.</p> <p>Other conditions are: give us advance written notice; if required by us, remodel the business to our then-current brand image for new Edible® Businesses or relocate the Edible® Business; not be in default; be in compliance with all system requirements; satisfy all monetary obligations to us and suppliers; sign general release (if state law allows); and pay a \$5,000 renewal fee.</p> <p>Terms of the new Franchise Agreement you sign for renewal franchise may differ materially from any and all of those contained in your original Franchise Agreement, including higher fees, revised standards, and a modified or reduced population base for (or other description of) the Delivery Area.</p>

PROVISION	SECTION IN FRANCHISE OR OTHER AGREEMENT	SUMMARY
d. Termination by franchisee	Not Applicable	Not Applicable
e. Termination by franchisor without cause	Not Applicable	We may not terminate Franchise Agreement without cause.
f. Termination by franchisor with cause	18.A. of Franchise Agreement  4 of Netsolace Software License and Maintenance Agreement	We may terminate only if you or your owners are in default.  Netsolace may terminate only if you commit one of several violations.
g. "Cause" defined — curable defaults	17.A. of Franchise Agreement  4.2.1 of Netsolace Software License and Maintenance Agreement	You have 30 days to cure certain defaults, including failure to comply with an obligation or System Standard, unless otherwise set forth in Section 17 with a different cure period, failure to maintain proper insurance, or failure to initiate and complete required maintenance.  You have 10 days to cure certain defaults, including monetary defaults to us, our affiliates, or third-party vendors or landlords; failure to obtain our approval of advertising materials; failure to offer all products and services we require; or failure to complete training.  You have 10 days to cure monetary defaults under Netsolace Software License and Maintenance Agreement.
h. "Cause" defined — non-curable defaults	17B. of Franchise Agreement  4 of Netsolace Software License and Maintenance Agreement	Non-curable defaults under Franchise Agreement include failure to select a site for your store within 120 days after signing the Franchise Agreement; failure to open the Business within 60 days after selecting your site; failure to complete training; abandonment; unapproved transfers, closures, relocations, or sale of franchise; material misrepresentations or omissions; conviction of or guilty plea to a felony; dishonest, unethical, or discriminatory conduct; unauthorized use or disclosure of Operations Manual or other confidential information; failure to pay taxes; understating Gross Sales;

PROVISION	SECTION IN FRANCHISE OR OTHER AGREEMENT	SUMMARY
		<p>repeated defaults (even if cured); failure to report within 5 days any notice from a government agency regarding a health, safety, or sanitation matter involving the Business; an assignment for the benefit of creditors; appointment of a trustee or receiver; loss of right to possess store location due to your lease default; and violation of anti-terrorism laws.</p> <p>Non-curable defaults under Netsolace Software License and Maintenance Agreement include material breach and bankruptcy.</p>
i. Franchisee’s obligations on termination/ nonrenewal	19 of Franchise Agreement	Obligations include paying outstanding amounts; complete de-identification; assigning telephone and other numbers and directory listings; returning to us at your cost, or making available to us for pick-up, all items branded with the Marks and Proprietary Equipment; and returning confidential information (also see (o) and (r) below).
j. Assignment of contract by franchisor	16.B. of Franchise Agreement	No restriction on our right to assign; we may assign without your approval.
k. “Transfer” by franchisee — defined	16.A. of Franchise Agreement  10.3 of Netsolace Software License and Maintenance Agreement	Includes transfer of Franchise Agreement, sale of Business’s assets, and ownership change in you or your owners (as well as transfer of Netsolace Software License and Maintenance Agreement).
l. Franchisor approval of transfer by franchisee	16.C. of Franchise Agreement  10.3 of Netsolace Software License and Maintenance Agreement	No transfer without our (and Netsolace’s) prior written consent.
m. Conditions for franchisor approval of transfer	16.D. of Franchise Agreement	New franchisee meets all qualifications and standards; you pay us, our affiliates, and third party vendors all amounts due and submit all required reports; no material default during 60 days before transfer request or during period between request and transfer’s proposed

PROVISION	SECTION IN FRANCHISE OR OTHER AGREEMENT	SUMMARY
		effective date; new franchisee (and its owners and affiliates) are not in a competitive business; training completed; assignment or sublease of store location to new franchisee; at our direction, you or transferee signs our then-current Franchise Agreement and other documents, any and all terms of which may differ materially from those in your Franchise Agreement, including a modified or reduced population base for (or other description of) the Delivery Area (although Royalty and Marketing Fee contributions will remain the same for what would have been balance of your contract term); transfer fee paid; franchise resale assistance fee paid (if applicable); relocation assistance and marketing fee paid; we approve purchase price and payment terms; you subordinate amounts due to you; you or, at our option, transferee makes improvements, upgrades, and updates in Business that we require; you de-identify; transfer does not violate any law; and you sign release (if state law allows) (also see (r) below).
n. Franchisor's right of first refusal to acquire franchisee's business	16.H. of Franchise Agreement	We may match any offer for your Business or an ownership interest in you.
o. Franchisor's option to purchase franchisee's business	19.K. of Franchise Agreement	We may buy the Business's equipment, supplies, and other assets at rates being offered to other buyers and/or fair market value (whichever is lower), and receive lease assignment, after Agreement is terminated or expires (without renewal).
p. Death or disability of franchisee	16.G. of Franchise Agreement	Assignment of franchise or an ownership interest in you to approved party within 9 months; we may manage Business at your cost or close location if there is no qualified manager.

PROVISION	SECTION IN FRANCHISE OR OTHER AGREEMENT	SUMMARY
q. Non-competition covenants during the term of the franchise	15.B. of Franchise Agreement	Subject to state law, no diverting business; no ownership interest in, or performing services for, competitive business anywhere (“competitive business” means business in which fresh flowers; fresh fruit that is cut into flower or other shapes and arranged in containers as floral designs; or fruit dipped in chocolate or other consumable toppings is a primary item prepared and/or sold by that business or any gifting business featuring treats such as cupcakes, cookies, donuts, or other baked goods).
r. Non-competition covenants after the franchise is terminated or expires	15.C. of Franchise Agreement	Subject to state law, no direct or indirect ownership interest in, or performing services for, competing business for 2 years at former franchised store’s location, within 5 miles of that location, within 5 miles of store location of any other EDIBLE Business that was operational on your Franchise Agreement’s effective date and is still in business when your Franchise Agreement ends, or within 5 miles of any other EDIBLE Business that was operational on later of date your Franchise Agreement ends or you comply (same restrictions apply after transfer).
s. Modification of the agreement	21.D. of Franchise Agreement	No modifications except in writing, but we may change Operations Manual and System Standards.
t. Integration/merger clause	20.Q. of Franchise Agreement	Only the terms of the Franchise Agreement are binding (subject to state law). Any representations or promises outside of the disclosure document and Franchise Agreement may not be enforceable.
u. Dispute resolution by arbitration or mediation	20.B. and 20.C. of Franchise Agreement	We and you must first mediate, and then arbitrate, all disputes at location within 10 miles of our principal business address at the time the dispute arises and the arbitration demand is filed (it currently is in Atlanta, Georgia).

PROVISION	SECTION IN FRANCHISE OR OTHER AGREEMENT	SUMMARY
v. Choice of forum	20.E. of Franchise Agreement	Subject to arbitration requirement, litigation generally must be in courts closest to where we have our principal business address at the time the action is commenced (it currently is in Atlanta, Georgia) (subject to applicable state law).
w. Choice of law	20.D. of Franchise Agreement  10.8 of Netsolace Software License and Maintenance Agreement	Except for Federal Arbitration Act and other federal law, Georgia law governs (subject to applicable state law).

**ITEM 18**  
**PUBLIC FIGURES**

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

**ITEM 19**  
**FINANCIAL PERFORMANCE REPRESENTATIONS**

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

This historical financial performance representation discloses the average and median gross sales of all franchised EDIBLE® Businesses in the United States that were open and operating for one year or longer as of December 31, 2023. It is divided among:

1. Businesses that were open and operating for more than 3 years as of December 31, 2023;
2. Businesses that were open and operating for at least 2 years, but less than 3 years, as of December 31, 2023; and
3. Businesses that were open and operating for at least 1 year, but less than 2 years, as of December 31, 2023.

This financial performance representation does not include 3 franchised Businesses that were not open for at least one year as of December 31, 2023. It also does not include 66 franchised Businesses (all



of which had been operational for at least one year) that permanently closed sometime during 2023, regardless of how long those Businesses operated during 2023.

This financial performance representation includes Businesses operated by franchisees but excludes the 1 Business operated by our affiliates as of December 31, 2023. The 1 affiliate owned and operated 1 Business in Provo, Utah. No Businesses operating outside the United States are included in this financial performance representation.

The figures below do not reflect the costs of sales, operating expenses, or other costs or expenses that must be deducted from the gross sales figures to obtain your net income or profit. You should conduct an independent investigation of the costs and expenses you will incur in operating your EDIBLE® Business. Franchisees or former franchisees, listed in the Franchise Disclosure Document, may be one source of this information.

As of December 31, 2023, there were 789 Businesses open and operating in the United States (788 franchised and 1 affiliate-owned) that were open for at least one full year. There were another 22 Franchise Agreements signed as of December 31, 2023, for Businesses to be operated in the United States that were not yet open as of that date.

Of the 788 franchised Businesses that were open for at least one full year as of December 31, 2023, there were a total of 781 Businesses in the United States that were open and operating for more than three years as of December 31, 2023. They were located in Alabama (4), Arizona (13), Arkansas (1), California (69), Colorado (9), Connecticut (32), Delaware (5), District of Columbia (1), Florida (64), Georgia (35), Hawaii (3), Idaho (1), Illinois (37), Indiana (7), Iowa (2), Kansas (2), Kentucky (3), Louisiana (8), Maine (1), Maryland (28), Massachusetts (30), Michigan (23), Minnesota (8), Mississippi (3), Missouri (9), Nebraska (1), Nevada (9), New Hampshire (2), New Jersey (51), New Mexico (2), New York (79), North Carolina (24), Ohio (18), Oklahoma (5), Oregon (1), Pennsylvania (41), Puerto Rico (2), Rhode Island (4), South Carolina (14), Tennessee (12), Texas (70), Utah (2), Vermont (1), Virginia (33), Washington (3), West Virginia (4), and Wisconsin (5).

There were a total of 5 franchised Businesses in the United States that were open and operating for at least 2 years, but less than 3 years, as of December 31, 2023. They were located in Arkansas (1), California (1), Indiana (1), New Jersey (1), and Texas (1).

There were a total of 2 franchised Businesses in the United States that were open and operating for at least 1 year, but less than 2 years, as of December 31, 2023. They were located in California (1) and Virginia (1).

Consequently, 788 Businesses (out of 791 in operation as of December 31, 2023) are included in this financial performance representation.

EDIBLE® FRANCHISED BUSINESSES  
 AVERAGE, MEDIAN, AND HIGH/LOW GROSS SALES FOR FISCAL YEAR ENDING  
 DECEMBER 31, 2023

	Businesses Open 3 or More Years	Businesses Open At Least 2 Years But Less Than 3 Years	Businesses Open At Least 1 Year But Less Than 2 Years
Average Gross Sales*	532,931	489,965	260,353
Number of Businesses	781	5	2
Number Above Average	339	3	1
% Above Average	43.4%	60.0%	50.0%
Median Gross Sales	515,754	514,986	260,353
Highest Gross Sales	1,530,924	672,055	331,899
Lowest Gross Sales	76,583	262,745	188,807
Average Number of Months Businesses Were Open as of 12/31/2023	178	28	19
Median Number of Months Businesses Were Open as of 12/31/2023	195	25	19

\* “Gross Sales” are defined as gross receipts net of sales tax. All of the Businesses reflected above are virtually identical to the type of Business you will operate if you acquire an EDIBLE® franchise and sell the same products and services.

**Some EDIBLE ARRANGEMENTS® Businesses have sold this amount. Your individual results may differ. There is no assurance that you’ll sell as much.**

Written substantiation of all financial performance information presented in this financial performance representation will be made available to you upon reasonable request. Our management prepared this financial performance representation based on information provided by our franchisees but did not independently audit that information. Nevertheless, we believe the information is reliable.

Other than the preceding financial performance representation, we do not make any financial performance representations. We also do not authorize our employees or representatives to make any such representations either orally or in writing. If you are purchasing an existing outlet, however, we may provide you with the actual records of that outlet. If you receive any other financial performance information or projections of your future income, you should report it to the franchisor’s management by contacting Somia Silber, Edible Arrangements, LLC, 980 Hammond Drive Suite 1000 Atlanta, Georgia 30328, (678) 992-2293, the Federal Trade Commission, and the appropriate state regulatory agencies.

**ITEM 20**  
**OUTLETS AND FRANCHISEE INFORMATION**

All year-end numbers appearing in the tables below are as of December 31 in each year. The “Company-Owned” outlets referenced in tables 1 and 4 below are owned by our affiliates.

Table No. 1

**Systemwide Outlet Summary**  
**For years 2021 to 2023**

Column 1	Column 2	Column 3	Column 4	Column 5
Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised	2021	922	887	-35
	2022	887	857	-30
	2023	857	791	-66
Company- Owned	2021	2	10	+8
	2022	10	5	-5
	2023	5	1	-4
Total Outlets	2021	924	897	-27
	2022	897	862	-35
	2023	862	792	-70

Table No. 2

**Transfers of Outlets from Franchisees to New Owners (other than the Franchisor)**  
**For years 2021 to 2023**

Column 1	Column 2	Column 3
State	Year	Number of Transfers
Arizona	2021	8
	2022	0
	2023	0
Arkansas	2021	1
	2022	0
	2023	0

Column 1	Column 2	Column 3
State	Year	Number of Transfers
California	2021	6
	2022	9
	2023	4
Colorado	2021	0
	2022	0
	2023	1
Connecticut	2021	1
	2022	2
	2023	1
Delaware	2021	1
	2022	0
	2023	0
Florida	2021	8
	2022	13
	2023	6
Georgia	2021	4
	2022	10
	2023	3
Illinois	2021	4
	2022	3
	2023	5
Indiana	2021	1
	2022	0
	2023	0
Iowa	2021	1
	2022	0
	2023	0
Kansas	2021	0
	2022	0
	2023	1
Kentucky	2021	0
	2022	2
	2023	0

Column 1	Column 2	Column 3
State	Year	Number of Transfers
Louisiana	2021	0
	2022	1
	2023	1
Maryland	2021	1
	2022	1
	2023	3
Massachusetts	2021	3
	2022	1
	2023	1
Michigan	2021	2
	2022	0
	2023	1
Minnesota	2021	1
	2022	0
	2023	2
New Hampshire	2021	1
	2022	0
	2023	0
New Jersey	2021	2
	2022	4
	2023	1
New Mexico	2021	1
	2022	1
	2023	0
New York	2021	10
	2022	15
	2023	8
North Carolina	2021	1
	2022	3
	2023	2
Ohio	2021	1
	2022	2
	2023	4

Column 1	Column 2	Column 3
State	Year	Number of Transfers
Oklahoma	2021	3
	2022	0
	2023	0
Oregon	2021	1
	2022	0
	2023	0
Pennsylvania	2021	9
	2022	3
	2023	2
Rhode Island	2021	0
	2022	1
	2023	0
South Carolina	2021	0
	2022	4
	2023	2
Tennessee	2021	0
	2022	0
	2023	6
Texas	2021	9
	2022	2
	2023	4
Virginia	2021	6
	2022	4
	2023	1
Washington	2021	1
	2022	0
	2023	0

Column 1	Column 2	Column 3
State	Year	Number of Transfers
West Virginia	2021	2
	2022	0
	2023	1
Total	2021	89
	2022	81
	2023	60

Table No. 3

**Status of Franchised Outlets  
For years 2021 to 2023**

Col. 1	Col. 2	Col. 3	Col. 4	Col. 5	Col. 6	Col. 7	Col. 8	Col. 9
State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations - Other Reasons	Outlets at End of the Year
Alabama	2021	10	0	2	0	1	0	7
	2022	7	0	0	1	0	0	6
	2023	6	1	1	1	0	0	5
Arizona	2021	16	0	0	0	0	0	16
	2022	16	0	0	0	0	0	16
	2023	16	0	3	0	0	0	13
Arkansas	2021	2	1	0	0	0	0	3
	2022	3	0	0	0	0	1	2
	2023	2	0	0	0	0	0	2
California	2021	92	1	4	0	0	0	89
	2022	89	1	0	0	0	4	86
	2023	86	0	11	1	0	3	71
Colorado	2021	12	0	1	0	0	0	11
	2022	11	0	0	2	0	0	9
	2023	9	0	0	0	0	0	9

Col. 1  State	Col. 2  Year	Col. 3  Outlets at Start of Year	Col. 4  Outlets Opened	Col. 5  Termi- nations	Col. 6  Non- Renewals	Col. 7  Reacquired by Franchisor	Col. 8  Ceased Opera- tions - Other Reasons	Col. 9  Outlets at End of the Year
Connecticut	2021	33	0	0	1	0	0	32
	2022	32	0	0	0	0	0	32
	2023	32	0	0	0	0	0	32
Delaware	2021	6	0	0	1	0	0	5
	2022	5	0	0	0	0	0	5
	2023	5	0	0	0	0	0	5
District of Columbia	2021	2	0	0	0	0	0	2
	2022	2	0	0	0	0	0	2
	2023	2	0	1	0	0	0	1
Florida	2021	79	2	1	0	6	0	74
	2022	74	0	0	2	0	3	69
	2023	69	1	5	1	0	0	64
Georgia	2021	37	0	0	0	0	0	37
	2022	37	0	0	0	0	0	37
	2023	37	0	2	0	0	0	35
Hawaii	2021	4	0	0	0	0	0	4
	2022	4	0	0	0	0	0	4
	2023	4	0	1	0	0	0	3
Idaho	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
Illinois	2021	44	0	3	2	0	0	39
	2022	39	0	0	0	0	1	38
	2023	38	0	1	0	0	0	37
Indiana	2021	9	1	1	0	0	0	9
	2022	9	0	0	0	0	0	9
	2023	9	0	1	0	0	0	8
Iowa	2021	4	0	0	0	0	0	4
	2022	4	0	0	0	0	0	4
	2023	4	0	2	0	0	0	2



Col. 1 State	Col. 2 Year	Col. 3 Outlets at Start of Year	Col. 4 Outlets Opened	Col. 5 Termi- nations	Col. 6 Non- Renewals	Col. 7 Reacquired by Franchisor	Col. 8 Ceased Opera- tions - Other Reasons	Col. 9 Outlets at End of the Year
Kansas	2021	3	0	0	0	0	0	3
	2022	3	0	0	1	0	0	2
	2023	2	0	0	0	0	0	2
Kentucky	2021	6	0	2	0	0	0	4
	2022	4	0	0	0	0	0	4
	2023	4	0	0	1	0	0	3
Louisiana	2021	8	0	0	0	0	0	8
	2022	8	0	0	0	0	0	8
	2023	8	0	0	0	0	0	8
Maine	2021	2	0	0	0	0	0	2
	2022	2	0	0	0	0	0	2
	2023	2	0	1	0	0	0	1
Maryland	2021	32	0	2	0	0	0	30
	2022	30	0	1	0	0	0	29
	2023	29	0	1	0	0	0	28
Massachusetts	2021	35	0	2	0	0	0	33
	2022	33	0	0	0	0	0	33
	2023	33	0	3	0	0	0	30
Michigan	2021	28	0	0	1	0	0	27
	2022	27	0	0	1	0	0	26
	2023	26	0	1	1	0	1	23
Minnesota	2021	9	0	0	1	0	0	8
	2022	8	0	0	0	0	0	8
	2023	8	0	0	0	0	0	8
Mississippi	2021	6	0	0	0	0	0	6
	2022	6	0	0	0	0	1	5
	2023	5	0	1	1	0	0	3
Missouri	2021	12	0	0	1	0	0	11
	2022	11	0	0	1	0	0	10
	2023	10	0	0	1	0	0	9

Col. 1 State	Col. 2 Year	Col. 3 Outlets at Start of Year	Col. 4 Outlets Opened	Col. 5 Termi- nations	Col. 6 Non- Renewals	Col. 7 Reacquired by Franchisor	Col. 8 Ceased Opera- tions - Other Reasons	Col. 9 Outlets at End of the Year
Montana	2021	0	1	0	0	0	0	1
	2022	1	0	1	0	0	0	0
	2023	0	0	0	0	0	0	0
Nebraska	2021	3	0	2	0	0	0	1
	2022	1	0	0	0	0	0	1
	2023	1	1	0	0	0	0	2
Nevada	2021	9	0	0	0	0	0	9
	2022	9	0	0	0	0	0	9
	2023	9	0	0	0	0	0	9
New Hampshire	2021	3	0	0	0	0	0	3
	2022	3	0	0	0	0	0	3
	2023	3	0	1	0	0	0	2
New Jersey	2021	55	1	1	0	0	0	55
	2022	55	0	0	0	0	1	54
	2023	54	0	2	0	0	0	52
New Mexico	2021	3	0	0	0	0	1	2
	2022	2	0	0	0	0	0	2
	2023	2	0	0	0	0	0	2
New York	2021	85	0	2	0	0	0	83
	2022	83	0	0	0	0	2	81
	2023	81	0	2	0	0	0	79
North Carolina	2021	28	0	1	1	0	0	26
	2022	26	0	0	1	0	0	25
	2023	25	0	1	0	0	0	24
North Dakota	2021	2	0	0	0	0	0	2
	2022	2	0	0	1	0	0	1
	2023	1	0	1	0	0	0	0
Ohio	2021	20	0	0	1	0	0	19
	2022	19	0	0	0	0	0	19
	2023	19	0	0	1	0	0	18

Col. 1 State	Col. 2 Year	Col. 3 Outlets at Start of Year	Col. 4 Outlets Opened	Col. 5 Termi- nations	Col. 6 Non- Renewals	Col. 7 Reacquired by Franchisor	Col. 8 Ceased Opera- tions - Other Reasons	Col. 9 Outlets at End of the Year
Oklahoma	2021	7	0	0	0	0	0	7
	2022	7	0	0	1	0	0	6
	2023	6	0	0	1	0	0	5
Oregon	2021	2	0	0	0	0	0	2
	2022	2	0	1	0	0	0	1
	2023	1	1	0	0	0	0	2
Pennsylvania	2021	45	0	0	1	0	0	44
	2022	44	0	0	0	0	1	43
	2023	43	0	1	1	0	0	41
Puerto Rico	2021	2	0	0	0	0	0	2
	2022	2	0	0	0	0	0	2
	2023	2	0	0	0	0	0	2
Rhode Island	2021	6	0	0	0	0	0	6
	2022	6	0	0	1	0	0	5
	2023	5	0	0	1	0	0	4
South Carolina	2021	15	0	0	0	0	0	15
	2022	15	0	0	0	0	0	15
	2023	15	0	0	0	0	1	14
Tennessee	2021	13	0	0	0	0	0	13
	2022	13	0	0	0	0	0	13
	2023	12	0	0	0	0	0	12
Texas	2021	76	1	0	0	0	0	77
	2022	77	0	0	0	0	0	77
	2023	77	0	4	0	0	2	71
Utah	2021	5	0	0	0	0	0	5
	2022	5	0	0	0	0	1	4
	2023	4	0	1	0	0	1	2
Vermont	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1

Col. 1 State	Col. 2 Year	Col. 3 Outlets at Start of Year	Col. 4 Outlets Opened	Col. 5 Termi- nations	Col. 6 Non- Renewals	Col. 7 Reacquired by Franchisor	Col. 8 Ceased Opera- tions - Other Reasons	Col. 9 Outlets at End of the Year
Virginia	2021	38	0	0	0	0	0	38
	2022	38	1	0	1	0	0	38
	2023	38	0	1	1	0	2	34
Washington	2021	3	0	0	0	0	0	3
	2022	3	0	0	0	0	0	3
	2023	3	0	0	0	0	0	3
West Virginia	2021	4	0	0	0	1	0	3
	2022	3	0	0	0	0	0	3
	2023	3	1	0	0	0	0	4
Wisconsin	2021	5	0	0	0	0	0	5
	2022	5	0	0	0	0	0	5
	2023	5	0	0	0	0	0	5
Totals	2021	922	8	25	9	8	1	887
	2022	887	2	4	13	0	15	857
	2023	857	5	49	12	0	10	791

Table No. 4

**Status of Company-Owned Outlets  
For years 2021 to 2023**

Col. 1 State	Col. 2 Year	Col. 3 Outlets at Start of the Year	Col. 4 Outlets Opened	Col. 5 Outlets Reacquired From Franchisee	Col. 6 Outlets Closed	Col. 7 Outlets Sold to Franchisee	Col. 8 Outlets at End of the Year
Alabama	2021	0	0	1	0	0	1
	2022	1	0	0	1	0	0
	2023	0	0	0	0	0	0
Florida	2021	0	1	6	0	2	5
	2022	5	0	0	2	0	3
	2023	3	0	0	1	1	1

Col. 1 State	Col. 2 Year	Col. 3 Outlets at Start of the Year	Col. 4 Outlets Opened	Col. 5 Outlets Reacquired From Franchisee	Col. 6 Outlets Closed	Col. 7 Outlets Sold to Franchisee	Col. 8 Outlets at End of the Year
Georgia	2021	1	1	0	0	0	2
	2022	2	0	0	2	0	0
	2023	0	0	0	0	0	0
Utah	2021	1	0	0	0	0	1
	2022	1	0	0	0	0	1
	2023	1	0	0	0	0	1
West Virginia	2021	0	0	1	0	0	1
	2022	1	0	0	0	0	1
	2023	1	0	0	0	1	0
Totals	2021	2	2	8	0	2	10
	2022	10	0	0	5	0	5
	2023	5	0	0	2	2	1

Table No. 5

**Projected Openings as of December 31, 2023**

Column 1 State	Column 2 Franchise Agreements Signed But Businesses Not Open	Column 3 Projected New Franchised Businesses in the Next Fiscal Year	Column 4 Projected New Company- Owned Businesses in the Next Fiscal Year
Arkansas	4	0	0
California	5	0	0
Indiana	1	0	0
Montana	1	0	0
New Jersey	1	1	0
Pennsylvania	7	0	0
Texas	1	0	0
Washington	2	0	0
Total	22	1	0

Exhibit E has lists of: (1) the names, addresses, and telephone numbers of all operating EDIBLE ARRANGEMENTS® Business franchisees as of December 31, 2023; (2) the names and contact information of all EDIBLE ARRANGEMENTS® Business franchisees with signed Franchise Agreements whose Businesses

were not yet open as of December 31, 2023; and (3) the names, city and state, and current business telephone numbers (or, if unknown, the last known home telephone numbers) of the franchisees whose Businesses were transferred, terminated, canceled, or not renewed, or who otherwise voluntarily or involuntarily ceased to do business under our Franchise Agreement (including as a result of transfer), since January 1, 2023, or who have not communicated with us within 10 weeks of this disclosure document's issuance date. If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

Franchisees signed confidentiality clauses during our last three fiscal years. In some instances, current and former franchisees sign provisions restricting their ability to speak openly about their experience with the EDIBLE ARRANGEMENTS® system. You may wish to speak with current and former franchisees but be aware that not all such franchisees will be able to communicate with you.

There are no trademark-specific franchisee organizations associated with the EDIBLE ARRANGEMENTS® system.

## **ITEM 21** **FINANCIAL STATEMENTS**

Exhibit C contains our audited financial statements for the fiscal years ended December 31, 2023, December 31, 2022, and December 31, 2021, our unaudited balance sheet as of April 30, 2024, and our unaudited income statement for the year-to-date fiscal period ending April 30, 2024.

## **ITEM 22** **CONTRACTS**

Our Franchise Agreement is Exhibit B; the State Riders to our Franchise Agreement are Exhibit F; our Principal's Agreement is Exhibit G; our Franchisee Disclosure Questionnaire is Exhibit H; the Netsolace, LLC Software License and Maintenance Agreement is Exhibit I; our form of General Release is Exhibit J; and our Renewal Riders to Franchise Agreement are Exhibit K.

## **ITEM 23** **RECEIPTS**

Our and your copies of the Franchise Disclosure Document Receipt are located in Exhibit L to this disclosure document.

**EXHIBIT A**

**LIST OF STATE AGENCIES/AGENTS FOR SERVICE OF PROCESS**

## **STATE AGENCIES/AGENTS FOR SERVICE OF PROCESS**

Listed here are the names, addresses and telephone numbers of the state agencies having responsibility for the franchising disclosure/registration laws. We may not yet be registered to sell franchises in any or all of these states.

If a state is not listed, we have not appointed an agent for service of process in that state in connection with the requirements of the franchise laws. There may be states in addition to those listed below in which we have appointed an agent for service of process.

There also may be additional agents appointed in some of the states listed.

### **CALIFORNIA**

Website: [www.dfpi.ca.gov](http://www.dfpi.ca.gov)

Email: [ask.DFPI@dfpi.ca.gov](mailto:ask.DFPI@dfpi.ca.gov)

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

#### ***Los Angeles***

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

#### ***Sacramento***

2101 Arena Boulevard  
Sacramento, California 95834  
(866) 275-2677

#### ***San Diego***

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

#### ***San Francisco***

One Sansome Street, Suite 600  
San Francisco, California 94104-4428  
(415) 972-8559

### **HAWAII**

(for service of process)

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

(for other matters)

Commissioner of Securities  
Department of Commerce  
and Consumer Affairs  
Business Registration Division  
335 Merchant Street, Room 205  
Honolulu, Hawaii 96813  
(808) 586-2722

### **ILLINOIS**

Illinois Attorney General  
500 South Second Street  
Springfield, Illinois 62706  
(217) 782-4465



**INDIANA**

(for service of process)

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

(state agency)

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

**MARYLAND**

(for service of process)

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

(state agency)

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

**MICHIGAN**

Michigan Attorney General's Office  
Consumer Protection Division  
Attn: Franchise Section  
G. Mennen Williams Building, 1st Floor  
525 West Ottawa Street  
Lansing, Michigan 48933  
(517) 335-7567

**MINNESOTA**

Commissioner of Commerce  
Department of Commerce  
85 7<sup>th</sup> Place East, Suite 280  
St. Paul, Minnesota 55101  
(651) 539-1500

**NEW YORK**

(for service of process)

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

(Administrator)

NYS Department of Law  
Investor Protection Bureau  
28 Liberty Street, 21<sup>st</sup> Floor  
New York, New York 10005  
(212) 416-8236

**NORTH DAKOTA**

(for service of process)

Securities Commissioner  
North Dakota Securities Department  
600 East Boulevard Avenue  
State Capitol, 14<sup>th</sup> Floor, Dept. 414  
Bismarck, North Dakota 58505-0510  
(701) 328-4712

(state agency)

North Dakota Securities Department  
600 East Boulevard Avenue, Suite 414  
Bismarck, North Dakota 58505  
(701) 328-2910

**OREGON**

Oregon Division of Financial Regulation  
350 Winter Street NE, Suite 410  
Salem, Oregon 97301  
(503) 378-4140

**RHODE ISLAND**

Securities Division  
Department of Business Regulations  
1511 Pontiac Avenue  
John O. Pastore Complex-Building 69-1  
Cranston, Rhode Island 02920  
(401) 462-9500

**SOUTH DAKOTA**

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

**VIRGINIA**

(for service of process)

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

(for other matters)

State Corporation Commission  
Division of Securities and Retail Franchising  
Tyler Building, 9th Floor  
1300 East Main Street  
Richmond, Virginia 23219  
(804) 371-9051

**WASHINGTON**

(for service of process)

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

(for other matters)

Department of Financial Institutions  
Securities Division  
P. O. Box 41200  
Olympia, Washington 98504-1200  
(360) 902-8760

**WISCONSIN**

(for service of process)

Administrator, Division of Securities  
Department of Financial Institutions  
4822 Madison Yards Way, North Tower  
Madison, Wisconsin 53705  
(608) 266-2139

(state administrator)

Division of Securities  
Department of Financial Institutions  
4822 Madison Yards Way, North Tower  
Madison, Wisconsin 53705  
(608) 266-9555

**EXHIBIT B**

**FRANCHISE AGREEMENT**



**FRANCHISE AGREEMENT**

**BETWEEN**

**EDIBLE ARRANGEMENTS, LLC**

*(A Delaware Limited Liability Company)*

and

---

---

Phone Number: (\_\_\_\_\_) \_\_\_\_\_ - \_\_\_\_\_

Fax Number: (\_\_\_\_\_) \_\_\_\_\_ - \_\_\_\_\_

Date: \_\_\_\_\_

Agreement Number: \_\_\_\_\_

Store Number: \_\_\_\_\_

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## EDIBLE® FRANCHISE AGREEMENT

Franchisee(s) Name: \_\_\_\_\_

Mailing Address: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_

Street Address: \_\_\_\_\_

Agreement Number: \_\_\_\_\_ Store Number: \_\_\_\_\_

**THIS FRANCHISE AGREEMENT** (the "Agreement") is made by and between **EDIBLE ARRANGEMENTS, LLC**, a Delaware limited liability company located at 980 Hammond Drive, Suite 1000, Atlanta, Georgia 30328 ("EA"), and the person(s) or entity listed above (referenced individually or collectively as "Franchisee") to evidence the agreement and understandings between the parties. This Agreement is intended to be effective as of \_\_\_\_\_ (the "Effective Date"), regardless of the dates of the parties' signatures.

**WHEREAS**, EA and its affiliates, under the "EDIBLE®" and "EDIBLE ARRANGEMENTS®" trademarks, their various trade names, other related trademarks, logos, and service marks (the "Marks"), have developed policies and procedures (including confidential information) and a distinctive and comprehensive system for the promotion, operation, and identification of businesses operating under the Marks (the "System") that sell sculpted fruit floral arrangements, floral bouquets, plush animals, popcorn, nuts, coffee, teas, gift baskets made with fresh fruit, chocolate-covered fruit, fruit smoothies, fruit salads, cookies, cheesecakes and similar individual-serving-size baked goods, fruit and yogurt products, and other chocolate and fruit-related products ("EDIBLE® Businesses");

**WHEREAS**, EA provides a uniform system for the establishment and operation of EDIBLE® Businesses, including sales development programs, sales techniques, training techniques, and other related benefits for Franchisee's use under the Marks;

**WHEREAS**, EA and its affiliates have a proprietary interest in the Marks and System;

**WHEREAS**, Franchisee recognizes the benefits to be derived from being identified with and receiving a Franchise from EA; and

**WHEREAS**, Franchisee desires to obtain a franchise from EA for the right to use the Marks and the System in operating an EDIBLE® Business pursuant to the mandatory methods, specifications, standards, operating procedures, and rules, which EA may develop and change from time to time in its sole and absolute discretion (the "System Standards").

**NOW, THEREFORE**, in consideration of the mutual promises and covenants set forth in, and subject to the terms and conditions of, this Agreement, the parties agree as follows:

### 1. **GRANT OF FRANCHISE**

**A. Grant of Franchise.** EA grants to Franchisee the right to develop and operate one EDIBLE® Business (the "Franchised Business") under the terms and conditions set forth in this Agreement, using

the Marks and the System pursuant to this Agreement, and at a specific location determined pursuant to this Agreement (the “Store Location”).

**B. Store Location.** Franchisee shall have the non-exclusive right to operate (and, if necessary, build out) one EDIBLE® Business store in the zip code identified on Exhibit A to this Agreement (“Site Search Area”). The Store Location shall be located within the Site Search Area. If Franchisee cannot, despite its best efforts, find a suitable location for its Store Location in the Site Search Area, then EA may, in its sole discretion and pursuant to Section 3.A. of this Agreement, amend the Site Search Area upon Franchisee’s notification of its inability.

**C. Delivery Area.** During the Term (as defined in Section 2), Franchisee will be granted the non-exclusive right to accept and fulfill orders for delivery to customers and/or recipients located within the Site Search Area and in any additional zip code(s), if any, necessary to provide an area encompassing a working and/or living population of at least 75,000 people (“Population Threshold”), as identified and revised periodically during the Term by EA in its sole discretion (the “Delivery Area”). EA may, but shall not be obligated to, modify, increase, or decrease the Delivery Area at any time, in its sole and absolute discretion, provided however that EA shall not reduce the Delivery Area below the Population Threshold, unless Franchisee is in default as provided for in Sections 17 and 18 herein. Franchisee may not accept or fulfill orders for delivery to customers and/or recipients located outside the Delivery Area without EA’s prior written consent which EA may grant, deny, and (if granted) revoke as it deems best. Franchisee agrees and acknowledges that the designated delivery areas of other owners of EDIBLE Business franchises may overlap with the Franchisee’s Delivery Area, which shall not be a violation of the terms of this Agreement.

**D. Reservation of Rights.** Notwithstanding the rights granted to Franchisee pursuant to this Agreement, EA retains all other rights and may, among other things, on any terms and conditions EA deems advisable, and without granting Franchisee any rights therein:

- (1) engage and/or grant to other franchise owners and third parties the right to engage in any activities EA and its affiliates desire;
- (2) establish and operate, or grant third-parties the right to establish and operate, EDIBLE® Business stores at any location including within the Delivery Area and to grant third-parties the right to deliver, ship, or otherwise fulfill customer orders within the Delivery Area;
- (3) accept and fulfill orders, or allow other franchise owners and/or third parties to accept and fulfill orders, for any and all products, whether identical or similar to, and/or dissimilar from, the products prepared, offered and/or sold by Franchisee, whether under the Marks or other trademarks and regardless of where prepared or from where shipped, for delivery to customers and/or recipients located within the Delivery Area;
- (4) prohibit Franchisee from selling the products and services of the Franchised Business to certain categories of customers if EA and/or its affiliates deem appropriate, including, but not limited to circumstances where such action is prohibited by contractual obligation;
- (5) condition Franchisee’s right to do business with any customers or accounts on Franchisee’s compliance with the terms, including any negotiated or discounted terms that EA and/or its affiliates deem appropriate in EA’s or its affiliates’ sole discretion; and,

- (6) engage in all other activities not expressly prohibited by this Agreement.

As used in this Agreement, the term “affiliate” means any person or entity directly or indirectly owned or controlled by, under common control with, or owning or controlling Franchisee or EA. For purposes of determining affiliation, “control” means the power to direct or cause the direction of management and policies.

## **2. TERM AND RENEWAL**

**A. Initial Term.** This Agreement shall be effective and binding beginning on the Effective Date and shall expire ten (10) years from the first day of the lease for the Store Location (the “Term”). The Term is subject to earlier termination under Section 18. Franchisee agrees to operate the Franchised Business in compliance with this Agreement for the entire Term unless this Agreement is properly terminated under Section 18.

**B. Renewal Rights.** Franchisee may renew its rights to operate the Franchised Business for one (1) additional successive term of ten (10) years (the “Successor Term”), commencing immediately upon the expiration of the initial Term this Agreement, under the terms and conditions of EA’s then current form of franchise agreement as modified to reflect the election of the option to renew, provided that all of the following conditions are fulfilled:

- (1) Franchisee gives EA written notice of Franchisee’s election to renew its rights for the Successor Term not more than twelve (12) months and not less than nine (9) months before the end of the Term;
- (2) Franchisee has, during the entire Term, substantially complied with all the provisions, including all payment obligations, of this Agreement and has not committed an Event of Default as defined in Section 17 herein;
- (3) Franchisee agrees, if EA requires in its sole discretion and without regard to any additional cost to Franchisee, to either:
  - (a) maintains possession of and remodel and refurbish its current store, add or replace improvements and Operating Assets (as defined in Section 3), and otherwise modify the store and Franchised Business as EA requires to comply the System Standards then applicable for new EDIBLE® Businesses; or
  - (b) if agreeable to EA, secure a new location for the store as EA directs pursuant to its then current process for site selection and in accordance with System Standards then applicable for EDIBLE® Businesses.

Franchisee further agrees that any such remodels, upgrades, or new store development shall be completed, and the Franchised Business must be ready for operation by the expiration date of the initial Term of this Agreement;

- (4) Franchisee has satisfied and continues to satisfy all monetary obligations then owed to Franchisee’s landlord, EA and any of its subsidiaries, affiliates, and approved suppliers;

(5) Franchisee signs EA's then-current form of Franchise Agreement (the "Successor Franchise Agreement"), which may be materially different from this Agreement (including, without limitation, higher and/or different fees), except that (i) Franchisee will not be required to pay another initial franchise fee, receive another renewal or successor term, nor be required to complete initial training; and (ii) EA shall not be required to perform any of the pre-opening obligations set forth in such Successor Franchise Agreement;

(6) Franchisee pays a renewal fee of five thousand dollars (\$5,000), which shall replace any initial franchise fee required by EA at the time of renewal;

(7) Franchisee has complied with EA's then-current qualification and training requirements and pays all then-applicable training fees; and

(8) Franchisee has executed a general release, in a form prescribed by EA, of any and all claims against EA and its parent companies, subsidiaries and other affiliates and all of their respective owners, officers, directors, agents, and employees.

**C. Non-Renewal.** If Franchisee fails to timely exercise its renewal right or does not deliver to EA all items required for renewal, including the executed Successor Franchise Agreement, the executed Release and renewal fee, within 10 days after EA delivers such documents to Franchisee for execution, then Franchisee will be deemed to have declined to renew its rights to the Franchised Business, and Franchisee's right to renew will expire automatically at the end of the Term.

**D. Effect of Non-Renewal or Expiration.** Non-renewal or expiration of this Agreement will end the Agreement and Franchisee's right to operate the Franchised Business. Upon non-renewal or expiration of this Agreement, Franchisee must meet all obligations applicable upon termination or expiration, as set forth in Section 19. Notwithstanding the foregoing, at its option, EA may extend Term for the time period necessary to give Franchisee reasonable time to satisfy the conditions to renewal set forth in Section 2.B.

### **3. DEVELOPMENT AND OPENING**

#### **A. Site Selection.**

##### **(1) Franchisee's Obligations.**

(a) Within ninety (90) days after the Effective Date, Franchisee shall secure (either through purchase or lease) real estate for the Store Location ("Site Selection Deadline"). Any lease for the Store Location shall be in writing and submitted to EA for acceptance in accordance with Section 3.A.(2) of this Agreement. The Store Location and any applicable lease shall:

(i) be suitable for the preparation and sale of all products EA requires and authorizes EDIBLE® Businesses to offer and sell;

(ii) provide for Franchisee's occupancy of and operation of the Franchised Business from the Store Location, at all times during the Term;

- (iii) at EA's election and in EA's sole discretion, be negotiated with landlord to include in any lease, either by its terms or in a rider or addendum, provisions EA deems necessary to protect the EDIBLE® and EDIBLE ARRANGEMENTS® brand, including but not limited to provisions regarding use of the premises, build-out, permitted signage, assignment by Franchisee only to EA or its designee, and other terms as EA may specify;
  - (iv) at EA's election and in EA's sole discretion, include the execution by the Franchisee and the landlord of a conditional assignment of the lease:
    - (i) Confirming EA's, or its designee's, right to take possession of the Store Location upon: Franchisee's uncured default under the lease or loss of the right to possess the location; Franchisee's failure to exercise any lease options or Franchisee's decision to exercise lease options through different entities; or expiration or termination of this Agreement;
    - (ii) Confirming the landlord's willingness to turn over possession of the premises to EA or its designee in such circumstances; and
    - (iii) Obligating the landlord to notify EA if: Franchisee defaults under the lease; there is any change in the status of the lease between Franchisee and the landlord; Franchisee does not exercise its lease option rights; or, Franchisee seeks to exercise lease options through different entities; and
  - (b) Franchisee shall sign and accept any lease for a Store Location only upon receiving written acceptance from EA.
  - (c) Franchisee shall open the Store Location for business at the approved site, no later than one-hundred and eighty (180) days from the date that that EA approves the site ("Opening Deadline") as set forth in the form of Exhibit B to this Agreement.
- (2) EA's Site Acceptance and Assistance. EA will:
- (a) Use reasonable efforts to assist Franchisee by analyzing Franchisee's Site Search Area to help determine site feasibility, and to assist in designating the Store Location, although site selection will remain Franchisee's sole obligation;
  - (b) Not unreasonably withhold its acceptance of a site that meets EA's criteria for demographic characteristics; traffic patterns; parking; character of neighborhood; competition from, proximity to, and nature of other businesses; other commercial characteristics; and size, appearance, and other physical characteristics; and
  - (c) Accept or choose not to accept the proposed site within thirty (30) days after receiving Franchisee's written proposal.

(3) No Representation and Warranty. Franchisee acknowledges and agrees that any information, assistance, or acceptance provided by EA in relation to site selection or leasing is not a representation or warranty of any kind, express or implied, of the site's suitability for operation of or guarantee of the performance of the Franchised Business at such location or for any other purpose. Franchisee acknowledges and agrees that its selection of a location will be based on its own independent investigation of the site's suitability without any reliance upon EA.

**B. Development of Store.**

(1) Franchisee's Obligations in Developing Store. Franchisee is solely responsible for the development and construction of the Store Location for the Franchised Business, including all costs of such development and construction. Franchisee must open the Franchised Business no later than the Opening Deadline, and must fulfill the following obligations prior to opening the Franchised Business:

- (a) secure all financing required to develop and operate the Franchised Business;
- (b) install at the store the EDIBLE® standard equipment package, which EA shall prescribe in its sole and absolute discretion;
- (c) prepare a site survey and all required construction plans and specifications to suit the location and confirm that these plans and specifications comply with the Americans with Disabilities Act and similar rules, other applicable ordinances, building codes, permit requirements, and lease requirements and restrictions;
- (d) submit to EA construction plans and specifications for review before beginning construction at the Store Location and all revised or "as built" plans and specifications during construction;
- (e) select and submit to EA for approval all architects and contractors Franchisee intends to hire to construct and develop the Store location (although EA reserves the right to designate the architects and contractors Franchisee must use);
- (f) hire and supervise all architects and contractors, and only those architects and contractors, approved (or designated) by EA and any other subcontractors and other professionals Franchisee deems necessary to construct, develop, and maintain the store location;
- (g) ensure that sufficient insurance coverage is in place during the construction process;
- (h) obtain all required building, zoning, occupational, utility, sign, health, sanitation, business, and other permits and licenses;
- (i) construct all required improvements to the location and decorate the location according to approved plans and specifications;

- (j) obtain all customary contractors' sworn statements and partial and final waivers of lien for construction, remodeling, decorating, and installation services and provide evidence of such as required by EA;
- (k) obtain all necessary insurance, including, but not limited to the insurance required by this Agreement and provide evidence of such to EA;
- (l) purchase or lease, and install specified computer hardware (including laptops and tablets) and software, including an integrated computer-based point-of-sale system (the "Computer System") and ensure the Computer System is fully operational and compliant with the System Standards;
- (m) purchase or lease, and install, all and only those fixtures, furniture, equipment (including fruit cutting and other fruit preparation equipment, credit card merchant and gift card equipment, computer with high-speed Internet connection and related software, facsimile machine, point-of-sale information system, components of the Computer System), inventory (including without limitation food and beverage products, paper products, and office supplies), furnishings, vehicles, signs, and other products necessary to the operation of the Franchised Business (collectively, the "Operating Assets") that EA has designated or approved for EDIBLE® Businesses as meeting its System standards;
- (n) purchase an opening inventory of authorized and approved products, materials, and supplies to operate the Franchised Business, consistent with the System Standards;
- (o) notify EA of any liens, UCC-1 Financing Statements or security agreements entered into by the Franchisee (or its officers, directors or principals) that relate to the Computer System, Operating Assets, or other intangibles related to the Franchised Business;
- (p) notify EA at least thirty (30) days before Franchisee intends to open the Franchised Business to the public; and
- (q) obtain EA's written approval to open the Franchised Business.

Items (a) – (p) above shall be collectively referred to as the "Opening Conditions."

(2) EA's Approval and Assistance. EA will:

- (a) give Franchisee mandatory and suggested specifications and layouts for the Store Location;
- (b) review Franchisee's construction and design plans for compliance with EA's design requirements;
- (c) at EA's election, inspect the Store Location while Franchisee is developing the Franchised Business at the location; and,



(d) provide written approval to open the Franchised Business, upon Franchisee's notice to EA and EA's determination that Franchisee has satisfactorily completed all the Opening Conditions.

Any plans, review, or approval provided by EA shall only be related to the Store Location's compliance with the System at the time of development.

**C. Failure to Gain EA's Approval to Open.** Franchisee agrees not to commence operation of the Franchised Business until EA notifies Franchisee in writing that the Franchised Business meets EA's standards and specifications. If Franchisee commences operation of the Franchised Business before EA notifies Franchisee in writing of its approval, Franchisee will be in default of this Agreement, and EA may, among EA's other default remedies set forth in Section 17, require Franchisee to pay EA two hundred dollars (\$200) for each day the Franchised Business operates without EA's approval.

**D. Grand Opening Advertising and Marketing.** Franchisee agrees, during the timeframe EA deems appropriate, to:

(1) conduct a grand opening marketing and advertising program for the Franchised Business according to EA's guidelines for such program;

(2) spend a minimum of five thousand dollars (\$5,000) for such a program ("Grand Opening Marketing Funds"), which at EA's request, Franchisee shall pay directly to EA in the amount EA specifies, which EA then will spend on Franchisee's behalf; and

(3) provide to EA all records and evidence of Franchisee's compliance with this Section 3.E. that EA requires.

**E. No Representation or Warranty.** EA's provision of specifications, approval of design or construction plans, or approval to open the Franchised Business shall not be deemed a representation or warranty, express or implied, that the Franchised Business complies with any engineering, licensing, environmental, labor, employment, health, building, fire, sanitation, occupational, landlord's, insurance, safety, tax, governmental, or other statutes, rules, regulations, requirements, or recommendations, including but not limited to the American's with Disabilities Act or other similar provision. Such provision, acceptance, or approval shall also not be construed as a waiver of EA's right to require continuing compliance with its requirements, standards, and policies.

**F. Security Agreement.** In order to secure Franchisee's prompt performance of the obligations of this Agreement and as an inducement to EA to enter into this Agreement with Franchisee, Franchisee grants to EA and EA takes a first priority security interest in all of Franchisee's Operating Assets and all of Franchisee's other assets, including without limitation, all present and after-acquired inventory, furniture, fixtures, and equipment wherever located, accounts, deposit accounts, chattel paper, instruments, contract rights (including Franchisee's right under this Agreement) and general intangibles, including payment intangibles, and all proceeds and products thereof, including insurance proceeds. By execution of this Agreement, Franchisee authorizes EA to file a copy of any UCC-1 Financing Statement(s) and any other document that may be necessary to perfect, attach or continue EA's security interest in the Operating Assets and all other assets provided in Section 3.B with or without Franchisee's signature. In its sole discretion, EA shall have the right to reject any request from Franchisee's lender to enter into a subordination and/or inter-creditor agreement. To the extent Franchisee assigns or sells its receivables,

future receivables, payment intangibles, or accounts (as those terms are defined by the Uniform Commercial Code), EA and its affiliates shall have no duty whatsoever to discharge any related purported payment obligations to a person or entity other than Franchisee.

#### **4. OPERATION OF FRANCHISED BUSINESS**

**A. Location.** Franchisee may operate the Franchised Business and service customers only at the Store Location and within the Delivery Area (unless EA agrees otherwise in writing).

**B. Compliance with System.** Franchisee acknowledges and agrees that every detail of the Franchised Business, including without limitation the uniformity of appearance, service, products and advertising of the Franchised Business is important to Franchisee, EA, the System and EA's other franchisees, in order to maintain the System's high and uniform operating standards, to increase demand for the products and services, and to protect EA's reputation and goodwill. Franchisee must operate the Franchised Business in conformity with the System Standards. Pursuant to this ongoing responsibility, Franchisee agrees:

- (1) To sell all and only the products and services required by EA, utilizing only the method and manner that EA prescribes, and to discontinue selling any such products or services as EA may disapprove in writing at any time;
- (2) To comply with all EA approved procedures and techniques regarding shipment and delivery, including, without limitation, the acceptance and fulfillment of orders made pursuant to the EDIBLE.COM Program (defined in Section 5.D below) and making deliveries to customers only in vehicles EA approves;
- (3) To operate the Franchised Business seven (7) days a week for the required hours of operation which EA shall set and may change from time to time in its sole and absolute discretion, unless otherwise agreed to by EA;
- (4) To maintain in sufficient supply the inventory of authorized and approved products, materials, and supplies necessary to operate Franchised Business;
- (5) To lease, purchase, install or otherwise obtain any and all Operating Assets EA may require from time to time, for the appropriate handling, preparation, presentation, selling, and delivery or shipment of any products and services to customers;
- (6) To employ sufficient staff to operate the Franchised Business at all times and maintain the dress and appearance of employees (all other matters pertaining to employment are suggestions or recommendations only);
- (7) To place or display at the Store Location (interior and exterior), and on all delivery vehicles, only the signs, emblems, lettering, logos, and display materials that EA approves from time to time;
- (8) To use only signs, posters, advertising pieces, lighting, storefront fixtures, displays, labels, forms, other paper products imprinted with the Marks and color, and similar items, as prescribed from time to time by EA in the operation of the Franchised Business;

- (9) To handle any customer complaints and related customer service issues (including providing complimentary products to customers), in compliance with EA's commitment to a 100% customer satisfaction policy and to reimburse EA for its costs and fees in responding to customer service issues on Franchisee's behalf;
- (10) To keep the Franchised Business at all times under the direct, on-premises supervision of the Franchisee (or, if Franchisee is an entity, its managing shareholder, member, or partner) ("Managing Owner") or a certified, trained employee acting as the full-time on-site manager, and keep EA informed of the identity of the on-site manager(s) of the Franchised Business;
- (11) To maintain and participate in all technology requirements and policies as EA may modify them from time to time, including, but not limited to, the System intranet and extranet, the Computer System, email communications, the EDIBLE.COM Program, and the System Website;
- (12) To honor all credit, charge, courtesy or cash cards or other credit devices required or approved by EA, in compliance with standards applicable to electronic payments, including Payment Card Industry Standards or any equivalent thereof;
- (13) To participate in any EA required gift card and customer loyalty program, including issuing and honoring gift certificates, coupons, and gift and loyalty cards;
- (14) To comply with any maximum, minimum, or other prices for products and services that EA may establish from time to time (to the fullest extent allowed by law), including required participation in System-wide discount programs and promotions and accepting the revenue allocation negotiated by EA with other businesses in co-branding and other collaborative marketing activities;
- (15) To participate in all advertising, marketing, and promotional programs, including merchandising components as EA may require;
- (16) To maintain the condition and appearance of the Store Location consistent with EA's standards for the image of an EDIBLE® Business as an attractive, pleasant, and comfortable business;
- (17) To maintain the equipment or improve the appearance and efficient operation of the Franchised Business, including replacement of such Operating Assets as required by EA;
- (18) To secure and maintain in force at all times all required licenses, permits, and certificates relating to the operation of the Franchised Business and operate the Franchised Business in full compliance with all applicable laws, ordinances and regulations, including government regulations relating to occupational hazards, health, environment, employment, workers' compensation and unemployment insurance, and withholding and payment of federal and state income taxes, social security taxes, and sales and service taxes. (While Franchisee may solicit and collect tips on the revenue that the Franchised Business receives from the sale of products and services, any tips collected or received are intended to be for the benefit of employees of the Franchised Business, and Franchisee is solely responsible for properly allocating and disbursing tips in accordance with its terms and conditions of employment as well as any applicable federal, state, and local law.);

(19) To participate in any National or Franchisee Advisory Council, Area Advertising Cooperative, or similar council that EA establishes for the EDIBLE® Business franchise system and to pay any assessments or dues that EA charges franchisees for their administration and operation;

(20) To conduct all sales activities in a dignified manner and accurately promote, describe, and otherwise represent the services of the Franchised Business, and to refrain from any sales practice which is unethical or may be injurious to the business of EA and/or other franchisees or the goodwill associated with the Marks;

(21) To ensure that the Franchised Business at all times maintains the highest moral standards of the community and the standards of EDIBLE® Businesses that EA establishes; and

(22) To comply with any other requirements related to aspects of operating and maintaining the Franchised Business that EA determines to be useful to preserve or enhance the efficient operation, image, or goodwill of the Marks and EDIBLE® Businesses or to maintain and protect the quality of products, service, and the EDIBLE® and EDIBLE ARRANGEMENTS® brand.

**C. Approved Suppliers, Manufacturers, and Distributors.**

(1) Right to Designate Suppliers. EA has the absolute right to designate and/or approve the suppliers, manufacturers, and distributors for the Operating Assets and other products and services necessary to operate the Franchised Business (“Approved Suppliers”), which may be EA, its affiliates, or third-parties. Franchisee may only purchase or source those items from Approved Suppliers at the prices they decide to charge. Franchisee understands that if EA or its affiliates are Approved Suppliers, they expect to make a reasonable profit on the items. EA and its affiliates have the right to receive payments from Approved Suppliers on account of their actual or prospective dealings with Franchisee and other franchisees and to use all amounts for any purposes they deem appropriate, unless otherwise agreed with an Approved Supplier.

(2) EA’s Proprietary Equipment and Materials. Franchisee acknowledges and agrees that certain fruit cutting equipment, fruit and other product preparation equipment, and production posters that it may lease from EA or its Affiliates at the price EA or its Affiliates may set from time to time throughout this Agreement are proprietary to the system (“Proprietary Equipment”). Franchisee agrees that the lease of such Proprietary Equipment shall not be deemed a transfer of ownership of the Proprietary Equipment from EA or its Affiliates, notwithstanding any purported use by EA or its Affiliates of terms or words that may indicate that the Proprietary Equipment has been “purchased” or “sold.” At the termination or expiration of this Agreement, Franchisee shall transfer possession of such Proprietary Equipment back to EA or its Affiliates pursuant to Sections 19.F and 19.G of this Agreement.

(3) Purchases from Former Franchisees. Franchisee may not under any circumstances, without EA’s prior written consent (which EA has no obligation to grant), purchase or receive any or all Operating Assets from an existing or former EDIBLE® franchisee, whether or not that other franchisee’s franchised business is operating or closed and whether or not the Operating Assets comply with EA’s then-current specifications for such items.

(4) Approval of Additional Suppliers. EA may, in its sole discretion revise the list of Approved Suppliers at any time. If Franchisee proposes to use in the operation of the Franchised Business any Operating Assets or services from a supplier that is not an Approved Supplier, Franchisee shall first notify EA and submit samples and such other information as EA requires for examination and/or testing or to otherwise determine whether such Operating Asset or service, or such proposed supplier, meets its specifications and quality standards. EA may charge Franchisee a fee, not to exceed the actual cost of testing or examination. If EA does not approve Franchisee's request within fifteen (15) days after receipt of such a request and all required information such request shall be deemed denied.

**D. Compliance with System Modifications.**

(1) Right to Modify. EA may, in its sole discretion, change or modify the Marks and the System, including, without limitation, the adoption and use of new, modified and/or substitute trade names, trademarks, service marks or copyrighted materials; new computer programs, computer hardware and systems; new Operating Assets; new techniques; and new aspects of the EDIBLE.COM Program (f/k/a the "EDIBLE CONNECT Program"). Franchisee will comply any such changes in the System as if they were part of this Agreement as of the Effective Date. Franchisee will make such expenditures as such changes or modifications in the System may require. EA may communicate such changes or modifications by incorporating them into the Operating Manual, or by other method as EA reasonably deems appropriate (which need not qualify as "notice" under Section 22).

(2) Limitations on Capital Modifications.

(a) Notwithstanding the foregoing, within the first two (2) years of the Term, EA shall not obligate Franchisee to make any modification that would qualify as a capital expenditure under GAAP accounting principles ("Capital Modifications"), unless: (i) such modification is to the Computer System, signage, or logo for the Franchised Business, which shall be excluded from the definition of Capital Modification; (ii) such modification is required by any lease related to the Franchised Business or applicable law; or (iii) this Agreement was executed in connection with the acquisition of the Franchised Business from a previous franchisee, in which case Franchisee must perform all Capital Modifications required by EA's consent to such transfer.

(b) Except as otherwise provided in this Section 4.D.(2)(a), beginning on the third anniversary of the Effective Date, Franchisee shall make all Capital Modifications required by EA, the costs of which (excluding all taxes and delivery charges) shall not exceed in any single year thirty thousand dollars (\$30,000) ("Annual Capital Modification Cap"), plus any amount of the Annual Capital Modification Cap not required to be expended in previous years of the Term. The maximum amount Franchisee shall be required to expend on such Capital Modifications during the Term shall be one hundred fifty thousand dollars (\$150,000) (excluding taxes and delivery charges) ("Term Capital Modification Cap", collectively with the Annual Capital Modification Cap, "Capital Modification Caps").

(c) Notwithstanding the Capital Modification Caps, EA may require Franchisee to make one additional Capital Modification during the Term, not to exceed sixty thousand dollars (\$60,000) (excluding all taxes and delivery charges), if EA determines, in its sole

discretion, that the Capital Modification is necessary due to a new system-wide initiative in which EA will require all franchisees to participate.

(d) Any costs and expenses incurred as a result of Capital Modifications required in connection with Franchisee's election to renew this Agreement pursuant to Section 2.B. or transfer this Agreement pursuant to Section 16, shall not be subject to the Capital Modification Caps.

**E. Reasonable Deviations from System Standards.** Franchisee agrees and acknowledges that complete and detailed uniformity under many varying conditions may not be possible or practical. EA specifically reserves the right and privilege, as it may deem in the best interests of all concerned in any specific instance, to vary the System Standards for any franchisee based upon the peculiarities of a particular location or circumstance, density of population, business potential, population or trade area, existing business practices, or any other condition which EA deems to be of importance to the successful operation of such franchisee's business ("Reasonable Deviations"). Franchisee shall not have any right to object to or demand any Reasonable Deviation that EA may grant to another franchisee pursuant to this Section 4.E.

**F. Compliance with Laws.** Franchisee and the Franchised Business shall comply with all applicable laws, ordinances, rules, regulations, court orders, and decisional authority of all federal, state and local governmental authorities having jurisdiction over the Franchised Business (collectively, the "Laws"). Franchisee and the Franchised Business shall obtain and maintain in full force and effect all governmental permits and licenses necessary for the Franchised Business.

**G. No Lien on Agreement.** Franchisee shall not grant a security interest in this Agreement (including any collateral assignment of this Agreement) or the Proprietary Equipment to any person or entity. If Franchisee grants an "all assets" security interest to any lender or other secured party, Franchisee shall cause the secured party to expressly exempt this Agreement and the Proprietary Equipment from the security interest.

## 5. TECHNOLOGY

**A. Computer System.** Franchisee agrees, to maintain and operate the Computer System during the Term as required by EA and in the manner provided below:

(1) Modifications. EA may from time to time modify specifications for and components of the Computer System ("Computer System Modification"). A Computer System Modification, and/or other technological developments or events, might require Franchisee to purchase, lease and/or license new or modified computer hardware (including laptops and tablets) and/or software and to obtain service and support for the Computer System. Franchisee must complete any Computer System Modification within sixty (60) calendar days of receiving notice from EA, including ensuring that the Computer System, as modified, is functioning properly.

(2) Costs. EA cannot estimate the future costs of the Computer System or required service or support, and although these costs might not be fully amortizable over this Agreement's remaining term, Franchisee agrees to incur the costs and expenses related to any Computer System Modification and required service or support. EA has no obligation to reimburse Franchisee for any Computer System costs.

(3) Use of EA's Proprietary Software. Franchisee agrees that EA or its affiliates may condition any license of proprietary software to Franchisee, or Franchisee's use of technology that EA or its affiliates develop or maintain on Franchisee's signing any software license agreement or similar document, or otherwise agreeing to the terms, that EA and its affiliates prescribe. EA and its affiliates may charge Franchisee up-front and recurring (*e.g.*, weekly, monthly, or other) fees for any required or recommended proprietary software or technology that EA or its affiliates license to Franchisee and for other maintenance and support services that EA or its affiliates provide during Term, in addition to any other fees that EA or its affiliates may charge pursuant to this Agreement.

(4) Computer System Maintenance and Compliance with the Law. Notwithstanding any other provision of this Agreement, Franchisee shall have sole and complete responsibility for: (1) the acquisition, operation, maintenance, and upgrading of the Computer System; (2) the manner in which its Computer System interfaces at EA's specified levels of connection speed with EA's and any third party's computer system; (3) any and all consequences if the Computer System is not properly operated, maintained, and upgraded; and (4) independently determining what is required for Franchisee to comply at all times with the most current version of the Payment Card Industry Data Security Standards or other data protection laws and regulations, complying and validating compliance with such standards, laws, and regulations, as may be periodically required.

**B. Email Usage.** Franchisee shall maintain a functioning e-mail address for the Franchised Business and high-speed Internet connection. Franchisee may use its EDIBLE® and/or EDIBLE ARRANGEMENTS® email addresses and the EDIBLE® and EDIBLE ARRANGEMENTS® communications network only for the operation of the Franchised Business in compliance with then-applicable System Standards.

**C. Data Requirements and Usage.** EA may, as often as it deems appropriate, access the Computer System and retrieve any and all information of the Franchised Business that EA, in its sole discretion, deems necessary to ensure compliance with this Agreement, the Manual, or the System, including without limitation Franchisee's e-mail communications relating to the Franchised Business. Notwithstanding the foregoing, EA will not have access or request access to information related to the Franchised Businesses employees.

**D. EDIBLE.COM Program.** EA may, in its sole discretion, develop, operate, maintain, and enhance a set of standards, procedures, and technological means for the purpose of interacting with and selling to customers and enhancing the presence of the System, including, without limitation: (1) accepting customer orders that are placed with, submitted to, and received by the System; (2) referring customer orders to franchisees (and, where applicable, other parties) for preparation, fulfillment, and delivery or pick-up; (3) responding to customer complaints or related quality control concerns on behalf of the Franchisee and the System; and, (4) coordinating the placement or fulfillment of orders by and through third-parties, business customers, and other EDIBLE ordering programs, which shall be referred to collectively as the "**EDIBLE.COM Program**". The EDIBLE.COM Program may include, without limitation, the System Website (as defined below), an online ordering system; a System-wide call center; "inter-franchise" ordering system; corporate account or gift programs with dedicated business customers; co-branding and other collaborative marketing activities with other businesses; or any other such ordering activities or methods as may be developed in the future. The EDIBLE.COM Program may be administered, in EA's sole discretion as EA deems best. EA may administer the EDIBLE.COM Program or appoint one of

its affiliates or an unaffiliated third party to administer the program. EA may require Franchisee to participate in the EDIBLE.COM Program. EA may also prohibit Franchisee from participating in the EDIBLE.COM Program. Franchisee's right or obligation to participate in the EDIBLE.COM Program shall be at EA's sole and absolute discretion. In the event that EA permits or requires Franchisee to participate in the EDIBLE.COM Program, (1) Franchisee shall participate in accordance with EA's rules, requirements, restrictions and standards, which EA may change from time to time in its sole and absolute discretion, and (2) EA may rescind and revoke such permission or requirement at any time, without notice, and for any reason in EA's sole and absolute discretion.

**E. Online Advertising and Presence.**

(1) Establishment of System Website. EA may (but is not obligated to) establish one or more websites (a) to advertise, market, and promote the System, the products, and/or the EDIBLE<sup>®</sup> Business franchise opportunity; (b) through which to operate certain on-line aspects of the EDIBLE.COM Program; and (c) for any other purposes EA determines is appropriate or necessary for the System (each a "System Website"). All advertising, marketing, and promotional materials that Franchisee develops for the Franchised Business must contain notices of the System Website's domain name in the manner EA designates.

(2) Franchisee Presence on System Website. If EA establishes a System Website, EA may require Franchisee to participate in the System Website. EA may also prohibit Franchisee from participating in the System Website. Franchisee's right or obligation to participate in the System Website shall be at EA's sole and absolute discretion. In the event that EA permits or requires Franchisee to participate in the System Website, (1) Franchisee shall participate in accordance with EA's rules, requirements, restrictions and standards, which EA may change from time to time in its sole and absolute discretion, and (2) EA may rescind and revoke such permission or requirement at any time, without notice, and for any reason in EA's sole and absolute discretion. If EA requests, Franchisee must give EA the information and materials EA requests regarding the Franchised Business for publication on the System Website. By providing the information and materials to EA, Franchisee represents that the content is accurate, not misleading, and does not infringe any third party's rights. EA shall have full discretion and approval over the information about the Franchised Business included on the System Website and will own all intellectual property and other rights in the System Website and the information it contains, including, without limitation, the log of "hits" by visitors and any personal or business data that visitors supply.

(3) Other Online Advertising or Presence. Without prior written approval from EA, Franchisee shall not:

(a) develop, maintain, or authorize any website that mentions or describes the Franchised Business, the System, or displays any of the Marks;

(b) use any recording, video, photographic, or digital devices (audio or video) within the Store Location or otherwise in connection with the operation of the Franchised Business (unless expressly approved by EA) that creates content that can be uploaded to a website (e.g., YouTube) or electronically, digitally, or otherwise shared with others; or



(c) use any social media in connection with its operation of the Franchised Business or that references the Marks, including posting or blogging comments about the Franchised Business or the System other than on a System Website (“social media” includes personal blogs, common social networks like Facebook, professional networks like LinkedIn, live-blogging tools like Twitter, virtual worlds, file, audio and video-sharing sites, and other similar social networking or media sites or tools), unless such activities are protected under applicable law.

## **6. TRAINING REQUIREMENTS AND ASSISTANCE BY EA**

### **A. Initial Training.**

#### **(1) Manager Certification Training.**

(a) Before the Franchised Business opens, Franchisee (or, its Managing Owner) and one (1) on-site manager shall complete to EA’s satisfaction an initial training on the material aspects of operating an EDIBLE® Business (“Manager Certification Training”).

(b) The Manager Certification Training may include, without limitation, an apprenticeship program, store training, corporate training, computer training, administrative functions or other topics that EA may decide from time to time.

(c) The Manager Certification Training shall be conducted at a designated training facility of EA’s choice, and may additionally include online training and/or homework assignments which must be completed before passing onto another phase of the program.

(d) The Manager Certification Training shall last from two (2) to six (6) weeks depending on Franchisee’s (or its Managing Owner’s) and the manager’s prior business experience and needs.

(e) After completing the Manager Certification Training, attendees must pass an operations proficiency test, entitling them to receive their certification. Unless Franchisee expressly informs EA otherwise, any attendees who receive such certification shall be deemed properly trained to operate an Edible Business.

(2) Other Initial Training. During the first year of the Franchised Business’s operation, EA may also require Franchisee (or its Managing Owner) and its manager to attend up to an additional five (5) days of training at EA’s designated location (collectively with Certified Manager Training, the “Initial Training”).

#### **(3) Costs of Initial Training.**

(a) Except as provided in this Section 6.B., EA shall provide the Initial Training for the Franchisee (or its Managing Owner) and one (1) onsite manager, however, Franchisee shall be responsible for all travel and living expenses incurred and for the on-site manager’s salary and workers’ compensation insurance while he or she trains. Franchisee must demonstrate that workers’ compensation insurance is in place before the on-site

manager may attend training. If Franchisee replaces its manager during the Term, Franchisee agrees to pay EA's then-current fee for training such replacement manager.

(b) Franchisee (or its Managing Owner) may request additional training at the end of the initial training program, to be provided at EA's then current daily charges. EA and Franchisee will jointly determine the duration of this additional training.

(c) EA may require Franchisee (or its Managing Owner) to complete certain aspects of training, whether as part of the initial training program or the ongoing training referenced in subparagraph (2) below, by accessing EA's and its affiliates' proprietary training software and technology online through the Computer System. EA and its affiliates may charge Franchisee recurring (*e.g.*, weekly, monthly, or other) fees for any proprietary training software and technology licensed to Franchisee to facilitate and maximize Franchisee's training of its Managing Owner and on-site manager.

(d) If the Franchised Business is Franchisee's first EDIBLE® Business and Franchisee is signing this Agreement in connection with its acquisition of the Franchised Business from an existing EDIBLE® franchisee, Franchisee must pay EA upon signing this Agreement an initial training fee equal to Ten-Thousand Dollars (\$10,000) for the initial training program that Franchisee (or its Managing Owner) and its manager must attend and complete to EA's satisfaction.

**B. Multi-Unit Ownership Training Program.** If Franchisee or its owners already operate one (1) or more EDIBLE® Businesses when this Agreement is signed, EA may require Franchisee (or its Managing Owner) to attend and successfully complete EA's multi-unit ownership training program at EA's designated location. EA may charge a fee for this training, and Franchisee must pay all attendance costs. This training program may last for two (2) to five (5) days or longer. In addition, if the Franchised Business is the third EDIBLE® Business owned by Franchisee or its owners, EA may require an existing certified manager at one of these EDIBLE® Businesses to attend and complete additional or specialized training in order to qualify to train and supervise Franchisee's other employees.

**C. Ongoing Training.** EA may, in its sole discretion, require or, upon request of the Franchisee, provide various refresher training, re-certification, and other courses at the times and locations, and via the means (for example, online), EA designates for the Franchisee (or its Managing Owner) and/or its other previously trained managers. If Franchisee hires new or additional on-site managers for the Franchised Business during the Term, those new or additional on-site Managers must also satisfactorily complete EA's then-current Initial Training and other pre-opening training that EA may then require. EA may charge reasonable registration or similar fees for these courses. Franchisee agrees to pay all costs to attend, including without limitation travel and living expenses of attendees or costs of accessing EA's and its affiliates' proprietary training software and technology. EA may discontinue or modify any ongoing training course or method in its sole discretion.

**D. Qualifications of Trainees.** All training attendees must be able to speak, read, write, and understand the English language fluently so they can participate in EA's training program (which is conducted in English) and communicate clearly with customers and other third parties. In addition, there always must be at least one (1) manager at Franchisee's store who can speak, read, write, and understand the English language fluently. Prior to participating in the EA training program, Franchisee (or its Managing

Owner) and managers may be required to take and pass various online and other tests and business courses to prepare for their entry into the EDIBLE® System

**E. Conventions.** Franchisee shall ensure that at least one designated representative that meets with EA's prior approval, attends the System convention that EA conducts either annually or biennially in its sole discretion, unless EA specifically approves nonattendance in writing. Franchisee must pay the applicable convention fee and all other costs for attendance. Franchisee must pay the convention fee even if its representative does not attend (whether or not that non-attendance is excused by EA).

**F. General Guidance.** EA may advise Franchisee from time to time regarding the manner in which, based on Franchisee's reports or EA's inspections and evaluations, operations at the Franchised Business promote and enhance the quality of the EDIBLE® and EDIBLE ARRANGEMENTS® brand. EA may, but is not obligated to, provide recommendations to Franchisee with respect to:

- (1) standards, specifications, and operating procedures and methods that EDIBLE® Businesses use, including operation of and Franchisee's required participation in the EDIBLE.COM Program;
- (2) purchasing required and authorized Operating Assets and other items and arranging for their distribution to Franchisee;
- (3) advertising and marketing materials and programs, including, without limitation online advertising;
- (4) training of supervisory employees in System Standards to ensure that the quality of products, services, and the EDIBLE® and EDIBLE ARRANGEMENTS® brand is maintained;
- (5) products and services to be provided by the Franchised Business;
- (6) quality control standards and methods; and,
- (7) administrative, bookkeeping, accounting, and inventory control procedures.

EA may provide recommendations to Franchisee in its Operations Manual, bulletins or other written materials, by electronic media, by telephone consultation, and/or in person. Franchisee agrees and acknowledges that any specific ongoing training or advice that EA provides does not create an obligation (whether by course of dealing or otherwise) to continue to provide such training or advice, all of which EA may modify or discontinue at any time.

**G. Operations Manual.** During the Term, EA will provide Franchisee with access to its Operations Manual, which may consist of and is defined to include audio, video, computer software, flash drives, other electronic media and/or written and other tangible materials.

- (1) "Operations Manual" means the confidential media and materials, including any modifications, supplements, additions, or revisions thereto containing the System Standards, and any other mandatory aspect of the System that EA periodically prescribes for operating an EDIBLE® Business, including without limitation those relating to the EDIBLE.COM Program, and certain other recommendations for operations.

(2) EA may provide access to the Operations Manual in any form it may choose from time to time, including, without limitation access via a restricted web portal, intranet, or extranet (“Online Portal”).

(3) EA may revise or change the Operating Manuals at any time in EA’s discretion and Franchisee expressly agrees that such revisions or changes shall be effective upon Franchisee’s receipt or at such other time as EA may specify. Franchisee shall ensure that its set of the Manuals are kept current and up-to-date, and if EA elects to provide the Operations Manual via an Online Portal, Franchisee agrees and acknowledges that it is Franchisee’s sole obligation to and access such Online Portal for updates to the Operations Manual. In the event of any dispute as to the contents of the Manuals, the terms contained in the master set of the Operations Manual that EA maintains shall control.

(4) Franchisee agrees to keep access codes to, and all tangible materials comprising, the Operations Manual current and in a secure location. Franchisee agrees that the Operations Manual, its contents, and the access codes or passwords to access it are Confidential Information as defined in Section 8 of this Agreement and shall comply with such Section 8 in the treatment of the Operations Manual and its contents. Upon EA’s request, Franchisee shall provide EA with the identities of all persons Franchisee has granted access to the Operations Manual.

## **7. PROPRIETARY MARKS**

**A. Grant of License.** EA grants Franchisee a non-exclusive limited license to use the Marks solely in connection with the operation of the Franchised Business. Franchisee acknowledges and understands that its ability to use the Marks in operation of an EDIBLE Business arises exclusively through EA’s grant of the Franchised Business and, as such, Franchisee is required to strictly perform to the terms provided and incorporated herein.

**B. Conditions for Use.** With respect to Franchisee’s use of the Marks pursuant to the license granted under this Agreement, Franchisee agrees that:

(1) Franchisee shall only use the Marks designated by EA and shall use such Marks only in the manner required or authorized and permitted by EA;

(2) Franchisee shall not use the Marks as part of any corporate or trade name; with any prefix, suffix, or other modifying words, terms, designs, or symbols or in any modified form; in connection with the sale of any unauthorized product or service; or as part of any domain name, homepage, electronic address, or otherwise in connection with a website, unless in connection with EA’s approved Franchise System Website;

(3) Franchisee shall give such notices of trademark and service mark registrations as EA specifies and to obtain such fictitious or assumed name registrations required under applicable law;

(4) Franchisee must use the Marks only in connection with the operation of the Franchised Business, and only at the Store Location or in advertising for the Franchised Business;

(5) Franchisee must identify itself as the owner of the Franchised Business and a licensee of the Marks on all invoices, order forms, receipts, business stationery and contracts, as well as at

the Franchised Business on a sign that is conspicuously displayed to customers, in each case using such language as EA may prescribe;

(6) Franchisee shall display the Marks prominently as EA prescribes at the Store Location and on forms, supplies, advertising, and other materials EA designates;

(7) To the extent Franchisee uses any Mark in employment-related materials, Franchisee must include a clear disclaimer that Franchisee (and only Franchisee) is the employer of employees at the Franchised Business and that EA, as the EA of EDIBLE® Businesses, is not their employer and does not engage in any employer-type activities for which only franchisees are responsible, such as employee selection, promotion, termination, hours worked, rates of pay, other benefits, work assigned, discipline, adjustment of grievances and complaints, and working conditions;

(8) If Franchisee becomes aware of any infringement of the Marks or if Franchisee's use of the Marks is challenged by a third party, then Franchisee must immediately notify EA, and EA will have sole discretion to take such action as EA deem appropriate. Franchisee will cooperate and assist as required by EA in any enforcement activities or litigation as EA deems necessary to fully protect all EA's interests in the Marks, including any state and federal trademark and service mark registrations for the Marks, or to protect the System. Franchisee will not communicate, directly or indirectly, with any person other than EA, its affiliates, its counsel, in connection with any such infringement, challenge, or claim; and,

(9) If EA modifies or discontinues the use of any Mark and/or requires the use of one or more additional or substitute names or marks, Franchisee will modify or discontinue the use of any such name or mark, within a reasonable time after receiving notice, and use such additional or substitute name or mark, at Franchisee's expense.

**C. Acknowledgments.** Franchisee acknowledges and agrees that:

(1) the Marks are valid, distinctive and serve to identify EA as the source of the goods and services offered pursuant to those Marks and by those who are authorized to operate under the System;

(2) any unauthorized use of the Marks by Franchisee is a breach of this Agreement and an infringement of the rights of EA and its affiliates in and to the Marks;

(3) all usage of the Marks by Franchisee and any goodwill established by Franchisee's use of the Marks shall inure to the exclusive benefit of EA and its affiliates and that this Agreement does not confer any goodwill or other interests in the Marks upon Franchisee;

(4) Franchisee shall not, at any time during the Term or after its termination or expiration, contest the validity or ownership, or assist another person in contesting the validity or ownership, of any of the Marks; and

(5) all provisions of this Agreement applicable to the Marks apply to any additional trademarks, service marks, and commercial symbols authorized for use by and licensed to Franchisee by EA after the Effective Date.

**D. Indemnification for Third-Party IP Claims.** In the event that any third-party makes a claim against Franchisee alleging that Franchisee's use of the Marks infringes upon the rights of such third-party, EA agrees to defend such claim and indemnify and hold Franchisee harmless therefrom, provided Franchisee has used the Marks only as expressly authorized in this Agreement, the Operations Manual, or otherwise in writing by EA, and provided further that Franchisee shall have the duty to cooperate with EA in the defense of such claim as set forth in this paragraph and in any other manner reasonably requested by EA. If the third-party makes any claims against EA and/or Franchisee not related to use of the Marks, Section 14 shall apply to determine the indemnification rights and obligations of the Parties.

## **8. CONFIDENTIAL INFORMATION**

**A. Definition of Confidential Information.** "Confidential Information" means all non-public information of or about the System, EA and its affiliates, and any EDIBLE® Business, which may be communicated to Franchisee or of which Franchisee may be apprised by virtue of Franchisee's operation of the Franchised Business under the terms of this Agreement, including, without limitation:

- (1) site selection criteria;
- (2) training and operations materials and manuals, including proprietary training software, to ensure that the quality of products, services, and the EDIBLE® and EDIBLE ARRANGEMENTS® brand is maintained;
- (3) methods, formats, specifications, standards, systems, procedures, food preparation techniques, sales and marketing techniques, knowledge, and experience used in developing and operating EDIBLE® Businesses;
- (4) marketing and advertising programs for EDIBLE® Businesses;
- (5) knowledge of specifications for and suppliers of Operating Assets, products, and supplies;
- (6) any computer software or similar technology which is proprietary to EA or its affiliates, including, without limitation, training software and technology, digital passwords and identifications, and any source code of, and data, reports, and other printed materials generated by, the software or similar technology;
- (7) the standards, process, information, and technology involved in creating, developing, operating, maintaining, and enhancing the various means by which customer orders are placed with and submitted to the EDIBLE® and EDIBLE ARRANGEMENTS® System, received by the EDIBLE® and EDIBLE ARRANGEMENTS® System, and then referred to franchisees (and, where applicable, other parties) for preparation, fulfillment, and delivery or pick-up, including without limitation, the EDIBLE.COM Program;
- (8) knowledge of the operating results and financial performance of EDIBLE® Businesses other than the Franchised Business; and
- (9) graphic designs and related intellectual property.

**B. Franchisee Obligations.** Franchisee acknowledges and agrees that it will not acquire any interest in Confidential Information. Franchisee's right to use the Confidential Information is limited by Franchisee's agreement that it:

- (1) shall treat and maintain the Confidential Information as confidential during the Term of this Agreement and thereafter;
- (2) will only use the Confidential Information for the operation of the Franchised Business pursuant to this Agreement and not in any other business or capacity;
- (3) not make any unauthorized copies of the Confidential Information whether disclosed via electronic medium, written, or other intangible form;
- (4) shall only disclose the Confidential Information to the extent necessary to those officers, directors, managers, personnel, or other agents who have a demonstrable and valid need to know the Confidential Information ("Authorized Representatives");
- (5) shall advise such Authorized Representatives of the confidential nature of the information and their obligations pursuant to this Agreement;
- (6) shall promptly inform EA of any unauthorized disclosure or use of the Confidential Information; and,
- (7) implement all reasonable procedures to prevent unauthorized disclosure, including without limitation, the use of nondisclosure and noncompetition agreements that EA may prescribe or approve for use with Authorized Representatives, which EA will be a third-party beneficiary of and have the independent right to enforce.

**C. Exceptions to Confidential Information.** Confidential Information does not include information, knowledge, or know-how which Franchisee can prove was made publicly available prior to or after EA's disclosure to the Franchisee, except by Franchisee's or its Authorized Representatives' breach of this Agreement or as a result of a third-party's breach of its confidentiality obligations to EA.

**D. Franchisee-Developed Concepts.** All ideas, concepts, techniques, or materials relating to an EDIBLE® Business, whether or not protectable intellectual property and whether created by or for Franchisee or its owners or employees, must be promptly disclosed to EA and will be deemed to be EA's sole and exclusive property, part of the System, and works made-for-hire for EA. To the extent that any item does not qualify as a "work made-for-hire" for EA, by this paragraph, Franchisee assigns ownership of that item, and all related rights to that item, to EA and agrees to take whatever action (including signing assignment or other documents) EA requests to evidence EA's ownership or to help EA obtain intellectual property rights in the item.

## **9. FEES**

**A. Franchisee's Initial Franchise Fee.** Franchisee will pay EA an initial franchise fee of:

- (1) Thirty thousand dollars (\$30,000) if this is Franchisee's (and its principal owner's) first EDIBLE® Business Franchise; or,

- (2) Twenty thousand dollars (\$20,000) if this is Franchisee's (or its principal owner's) second or subsequent EDIBLE® Business Franchise.

This Initial Franchise Fee is due and fully earned by EA when Franchisee signs this Agreement. The Initial Franchise Fee is not refundable under any circumstances.

**B. Royalty Fees.**

- (1) Royalty Fee Calculation. In consideration of the Franchise granted, Franchisee agrees to pay EA a royalty fee which accrues daily, in the amount of the greater of either:

- (a) Two-hundred dollars per week (the "Minimum Royalty"), or such other amount as provided by EA pursuant to Paragraph (4); or
- (b) Five percent (5%) of the Gross Sales from the operation of the Franchised Business, including Gross Sales from the Store Location, from all business activities in the Delivery Area, and from any other business activities in which EA allows Franchisee to engage.

The amount determined by the calculation of the greater of (a) or (b) above shall be the "Royalty".

- (2) Time of Payment. The Royalty shall be paid weekly or daily at EA's election and paid pursuant to Section 9.G.

- (3) Gross Sales. The term "Gross Sales" shall mean: All revenue generated by or for Franchisee in connection with the Franchised Business, including, but not limited to, amounts received by Franchisee at or away from the Store Location and Franchisee's share of customer sales made through the EDIBLE.COM Program, and whether from cash, check, credit and debit card, barter exchange, trade credit, or other credit transactions, provided, however, that "Gross Sales" shall not include any sales tax or other taxes collected by the Franchised Business if paid to the appropriate taxing authority and shall be reduced by the amount of any documented refunds, credits, and allowances the Franchised Business in good faith gives to customers (if those amounts originally were included in calculating Gross Sales). Gross Sales also include all insurance proceeds received by Franchisee (and/or its owners) for loss of business due to a casualty to or similar event at the Store Location. For the sake of clarity, any tips collected or received in accordance with Section 4.B (18) are not included in the calculation of Gross Sales.

- (4) Adjustments to Minimum Royalty. The Minimum Royalty may be subject to an annual adjustment as of January 1 of each year that is equal to the percentage increase since January 1 of the preceding year in the Consumer Price Index, provided that in no event shall there be a decrease in the Minimum Royalty. The "Consumer Price Index" shall mean the Consumer Price Index for All Urban Consumers (CPI-U), All Items, U.S. City Average 1982-84=100, as published by the United States Department of Labor. In the event that publication of said index shall be discontinued at any time during this Agreement, then a comparable index issued by the United States Department of Labor or a similar agency of the United States government shall be used for the purposes of this Agreement.



**C. Marketing Fees.** In addition to the Royalty, Franchisee agrees to contribute a maximum amount of 5% of Gross Sales ("Marketing Fees Cap") to be distributed among the following advertising initiatives described in Section 10 of this Agreement: (1) the National Marketing Fund (the "Fund"), (2) local advertising for the Franchised Business, and (3) an Area Advertising Cooperative (collectively the "EA Marketing Initiatives"). EA shall be entitled to determine the distribution of the Marketing Fees Cap to each of EA Marketing Initiatives in its sole discretion. Such distribution may vary during the Term and differ for various franchisees in the System based on Reasonable Deviations between such franchisees.

**D. EDIBLE.COM Program and Other Fees.** If EA, in its sole discretion, provides Franchisee the opportunity to participate in the EDIBLE.COM Program, Franchisee shall pay to EA, its affiliate, or any third-party it may designate, the fees it requires from time to time for:

- (1) each customer order directed or referred to Franchisee through the EDIBLE.COM Program, in an amount not to exceed thirty percent (30%) per order;
- (2) the costs to operate the EDIBLE.COM program, in an amount determined by EA in its sole discretion; and,
- (3) the performance of other customer service functions for Franchisee, whether or not related to customer order-taking or fulfillment, in an amount determined by EA in its sole discretion.

Items (1) – (3) above shall be referred to collectively as the "EDIBLE.COM Fees." The amount and method of calculating and collecting the EDIBLE.COM Fees may vary during the Term and will be specified in the Operations Manual. In addition to all other methods of collection, EA specifically reserves the right to withhold the EDIBLE.COM fees, and all other fees due on any customer order, including the Royalty and fees for the EA Marketing Initiatives, from customer payments it receives, and to transfer only the remaining balance of such customer payment to the Franchisee. No fee referenced in this Section 9.D. is refundable, even if a customer cancels its order or is given a refund.

**E. EA System Website Fee.** EA may, in its discretion, charge Franchisee an additional fee for EA's development, operation, and maintenance of the System Website, or for Franchisee's participation on the System Website. Such fees will be determined in EA's sole discretion.

**F. Taxes.**

- (1) Franchisee shall be solely responsible for and timely pay when due all taxes levied or assessed, including without limitation unemployment and sales taxes, of any kind it incurs in the operation of the Franchised Business.
- (2) Franchisee agrees to pay EA an amount equal to all federal, state, local, and foreign sales, use, excise, privilege, occupation, or any other transactional taxes.
- (3) Franchisee agrees to pay EA any other taxes or similar exactions no matter how designated that are imposed on EA or required to be withheld by Franchisee in connection with the receipt or accrual of Royalties, fees, or any other amounts payable by Franchisee to EA under this Agreement.

(4) Such payments must be made in an amount necessary to provide EA with after-tax receipts (taking into account any additional payments required under this Agreement) equal to the same amounts EA would have received under the provisions of this Agreement had such additional tax liability or withholding not been imposed or required.

(5) The amounts owed by Franchisee to EA pursuant to Section F.(3) above, shall exclude taxes imposed on EA for the privilege of conducting business and calculated with respect to EA's net income, capital, net worth, gross receipts, or some other basis or combination thereof, but shall not exclude any gross receipts taxes imposed on EA for Franchisee's payments intended to reimburse EA for expenditures incurred for Franchisee's benefit and on Franchisee's behalf.

**G. Grand Opening Marketing Funds.** If, in compliance with Section 3.E, EA so directs, Franchisee shall pay to EA or its affiliates the Grand Opening Marketing Funds at the time and in the manner EA or its affiliates direct.

**H. Relocation, Marketing and Advertising Program Fee.** If Franchisee either:

(1) Remodels the Store Location or moves the Franchised Business to another store location during the Term or in connection with exercising its right to renew this Agreement pursuant to Section 2.B., or

(2) Transfers full or partial ownership of the Franchisee (if an entity) or the Franchised Business to a Person who does not currently have a direct ownership interest in the Franchisee or the Franchised Business and/or is not currently a party to this Agreement pursuant to Section 16.D(2) of this Agreement,

in either case which may only be done with EA's prior written approval or EA's direction, then Franchisee shall pay a minimum of \$5,000 (and up to \$10,000) to advertise and market the remodeled Store Location, new store location, and/or change in ownership and inform existing customers of the change. Such fee shall be spent by Franchisee, or at EA's election, paid to EA for EA to spend on Franchisee's behalf in conjunction with EA's then-current Relocation, Marketing and Advertising Program ("**REMAP**") requirements and specifications.

**I. Training Fees.** Franchisee shall pay EA or its affiliates the fees associated with all training, conventions, and other related costs as set forth in Section 6 of this Agreement, in the manner and at the time EA or its affiliates direct.

**J. Method of Payment of Fees.**

(1) Except as EA directs Franchisee otherwise, on Monday of each and every week during the term of this Agreement, Franchisee shall provide EA with a weekly report via fax, e-mail, or other electronic means by noon, Eastern Standard Time, stating its Gross Sales for the prior week. EA shall then issue a draft against the operating account of Franchisee for the Royalty, the fees due for the EA Marketing Initiatives, EDIBLE.COM fees, and any other fees due and owing to EA, unless such fees have been otherwise deducted pursuant to Section 9.D.

(2) Franchisee authorizes EA and its affiliates to initiate debit entries and credit correction entries to Franchisee's checking, savings, or other account for the payment of all amounts due

from Franchisee to EA, EA's affiliates, or unaffiliated third-parties under this Agreement or otherwise in connection with Franchisee's operation of the Franchised Business.

(3) In the event that Franchisee shall fail to provide a weekly report on Monday of any week as required by Paragraph (1), EA shall be authorized to issue a draft against the operating account of Franchisee in an amount equal to that payable for the immediately preceding week or estimated to be payable for the current week, whichever is greater, subject to later adjustment upon Franchisee's submission of the required report.

(4) EA may charge Franchisee fifty dollars (\$50) if EA is required to reconcile Franchisee's account due to Franchisee's failure to provide a weekly report or for each failure by Franchisee to close out its sales daily. Such fees shall be in addition to all other fees due under this Section 9.

**K. Late Payments.** If any required payment pursuant to this section of the Agreement is overdue, Franchisee shall pay to EA, immediately upon demand, the overdue amount plus a fifty-dollar (\$50) late fee for each thirty (30) day period the payment is late. The foregoing shall be in addition to the charges described in Section 9.G.(4) and any other remedies EA may possess pursuant to this Agreement.

**L. Right to Offset.** EA reserves the right at any time and continuously during the Term to deduct on a transaction-by-transaction basis, directly from customer payments received by EA for products ordered through the EDIBLE.COM Program (and apart from deductions for the applicable charges for providing credit card services, including processing, clearing, fraud detection/prevention, and similar services), Franchisee's required Royalty payment and EA Marketing Initiative fees and other amounts due from Franchisee on account of such transaction (such as EDIBLE.COM Fees) and then pay to Franchisee the balance received on that transaction. EA may also offset any amounts owed by Franchisee to EA, its affiliates, or unaffiliated third-party vendors and landlords on account of the operation of the Franchised Business against any monies otherwise due and payable to Franchisee with respect to any customer orders directed to and fulfilled by Franchisee under the EDIBLE.COM Program.

## **10. ADVERTISING, MARKETING, AND PROMOTION**

**A. Approval of Marketing Materials.** Franchisee must conduct all advertising, promotion and marketing in a dignified and honest manner, and in accordance with the marketing policies which EA prescribes from time to time. Franchisee must submit to EA, or its designated agency, proofs of all such materials, if such materials have not been prepared or previously approved by EA during the twelve (12)-month period preceding the date of proposed use. If Franchisee does not receive written approval within thirty (30) days, the materials will be deemed disapproved. Franchisee shall not use any advertising, marketing or promotional plans or materials, which have not been approved in writing by EA, and Franchisee shall cease to use any plans or materials promptly upon notice by EA.

**B. National Marketing Fund.**

(1) **Purpose and Use of the Fund.** EA has established the Fund for the advertising, marketing, and public relations programs and materials it deems appropriate. EA will have the sole discretion to direct all programs that the Fund finances, with sole control over the creative concepts, materials, and endorsements used and their geographic, market, and media placement and allocation. The Fund may pay for:

- (a) preparing and producing video, audio, and written materials and electronic media (including social media, as defined in Section 5.E.(3)(c));
- (b) developing, implementing, maintaining, operating, and modifying a Franchise System Website and/or related strategies (including social media as defined in Section 5.E.(3)(c));
- (c) maintaining or paying third parties to maintain a system-wide call center, toll-free numbers, and an on-line ordering and fulfillment system;
- (d) administering regional and multi-regional (including national) marketing and advertising programs, including, without limitation, purchasing trade journal, direct mail, and other media advertising and using advertising, promotion, and marketing agencies and other advisors to provide assistance;
- (e) supporting public relations, market research, and other advertising, promotion, and marketing activities;
- (f) EA's or its affiliates' administrative costs related to the fund, including without limitation, the salaries and benefits of personnel who manage and administer the Fund, the Fund's other administrative costs, travel expenses of personnel while they are on Fund business, meeting costs, overhead relating to Fund business, and other expenses that EA incurs in activities reasonably related to administering or directing the Fund and its programs, including, without limitation, conducting market research, public relations, preparing advertising, promotion, and marketing materials, and collecting and accounting for Fund contributions (including taxes EA must pay on Fund contributions it receives); and,
- (g) the hiring of third-parties, such as advertising agencies, website design, or technology companies to create, develop, advise, or implement advertising, marketing, and public relations programs and materials.

The Fund periodically may give Franchisee samples of advertising, marketing, and promotional formats and materials at no cost, and EA, its affiliates and/or third-party vendors will sell Franchisee multiple copies of these materials at their direct cost of producing them, plus any related shipping, handling, and storage charges.

(2) Funding Sources. The Fund shall include:

- (a) the proportion of the Marketing Fees Cap that EA designates Franchisee to pay to the Fund from time to time,
- (b) fees collected from other Edible Franchisees, the calculation and amount of which may differ from that paid by the Franchisee; and
- (c) any advertising, marketing, or similar allowances paid by suppliers who deal with EDIBLE® Businesses and with whom EA has agreed to designate those allowances to the Fund, which may not represent all such allowances.

(3) Fund Administration.

(a) EA may incorporate the Fund or operate it through a separate entity whenever EA deems appropriate. The successor entity will have all of the rights and duties specified in this Section 9.B.

(b) EA need not ensure that Fund expenditures in or affecting any geographic area are proportionate or equivalent to Fund contributions by EDIBLE® Businesses operating in that geographic area or that any EDIBLE® Business benefits directly or in proportion to its Fund contribution from the development of advertising and marketing materials or the placement of advertising and marketing.

(c) The Fund may spend in any fiscal year more or less than the total Fund contributions in that year, borrow from EA or others (paying reasonable interest) to cover deficits, or invest any surplus for future use.

(d) EA will use all interest earned on Fund contributions to pay costs before using the Fund's other assets.

(e) EA has the right, but no obligation, to use collection agents and institute legal proceedings to collect Fund contributions at the Fund's expense. EA also may forgive, waive, settle, and compromise all claims by or against the Fund. EA assumes no direct or indirect liability or obligation to Franchisee for collecting amounts due to, maintaining, directing, or administering the Fund.

(f) Upon thirty (30) days' prior notice to Franchisee, EA may reduce or suspend Fund contributions and operations for one or more periods of any length and terminate (and, if terminated, reinstate) the Fund. If EA terminates the Fund, EA will distribute all unspent monies to its franchisees, and to it and its affiliates, in proportion to their respective Fund contributions during the preceding twelve (12) month period.

(4) Accounting for the Fund. EA will account for the Fund separately from its other funds and not use the Fund for any of its general operating expenses. EA has a contractual obligation to hold all Fund contributions for the benefit of the contributors and use contributions only for the purposes described in this Section 9. The Fund is not a trust, and EA owes no fiduciary obligations to Franchisee for administering the Fund or any other reason. EA may, in its discretion, have the Fund audited annually, at the Fund's expense, by an independent certified public accountant. Franchisee has no rights to inspect the books, records, or accounting of the Fund or to review the results of any audit if EA elects to have one conducted.

**C. Local Advertising Obligation.** Beginning two (2) months after Franchisee commences operation of the Franchised Business, or at such other time EA specifies, Franchisee agrees to spend the proportion of the Marketing Fees Cap that EA prescribes from time to time on the local advertisement and promotion of the Franchised Business. At EA's request, Franchisee shall provide to EA an accounting of Franchisee's expenditures for local advertising and promotion, including such supporting evidence as EA may require. Franchisee's local advertising and promotion must follow EA's guidelines, including shared advertising procedures. All advertising and promotional materials that Franchisee develops for its Franchised Business must contain notices of the Franchise System Website's domain name in the manner

EA designates. Franchisee agrees that its advertising, promotion, and marketing will be completely clear, factual, and not misleading and conform to both the highest standards of ethical advertising and marketing and the advertising and marketing policies that EA prescribes from time to time. All advertising, marketing, and promotional materials used by Franchisee shall be approved pursuant to Section 10.A prior to use. If there is no Area Advertising Cooperative for the market area in which the Franchised Business operates (because no Area Advertising Cooperative ever was formed or a past Area Advertising Cooperative has been dissolved or disbanded), EA has the right to require Franchisee to pay EA the proportion of the Marketing Fees Cap that EA has prescribed for local advertising and promotion, which EA will then spend for Franchisee in its local market for advertising and promotion materials and activities. EA reserves this right whether or not Franchisee is willing to spend the required amounts on its own for local advertising and promotion, and, if EA chooses to handle the advertising and promotion materials and activities in Franchisee's local market, EA has the right to initiate debit entries to Franchisee's checking, savings, or other account for the required amounts. Franchisee acknowledges that the marketing activities in which Franchisee engages will materially affect the success or lack of success of the Franchised Business.

**D. Area Advertising Cooperative.**

(1) Obligation to Participate. EA may designate one or more distinct geographic areas or any combination of geographic areas for one or more area advertising cooperatives (each, an “**Area Advertising Cooperative**”). Each Area Advertising Cooperative's members will be the owners of all EDIBLE® Businesses located and operating in the distinct geographic area or, if combined, the multiple geographic areas (including EA and its affiliates, if applicable). The geographic areas comprising an Area Advertising Cooperative, if there is more than one distinct geographic area in an Area Advertising Cooperative, need not be contiguous to one another or be in the same Designated Market Area (DMA). Each Area Advertising Cooperative will be organized and governed in a form and manner, and begin operating on a date, EA determines. EA may change, dissolve, or merge any one or more Area Advertising Cooperatives in its sole judgment. Each Area Advertising Cooperative's purpose is to create, implement, and administer advertising, marketing, and promotional programs and develop marketing materials for the benefit of the Area Advertising Cooperative's members. If, as of this Agreement's Effective Date, EA has established an Area Advertising Cooperative for the geographic area in which the Franchised Business is located, or if EA establishes an Area Advertising Cooperative for that area during the Term, Franchisee automatically will become a member of the Area Advertising Cooperative and then must participate as EA or the Area Advertising Cooperative's governing documents require. EA reserves the right to require Franchisee to contribute to the Area Advertising Cooperative the portion of the Marketing Fees Cap that EA designates from time to time.

(2) Governance. EA has the right to require that an Area Advertising Cooperative be formed and operated pursuant to written by-laws or an operating agreement approved by EA (if EA chooses not to control on its own—which it reserves the right to do—the formation, organization, operation, expenditures, and all other aspects of the Area Advertising Cooperative). If an Area Advertising Cooperative's members cannot agree on any aspect of the Area Advertising Cooperative's formation, administration, or operation (if EA has chosen not to control that Area Advertising Cooperative), and the disagreement continues for twenty (20) days after written notice to EA, EA has the authority to resolve the matter in its sole discretion. EA's decision will be final and binding on all members of the Area Advertising Cooperative. As noted above, EA has the right, whenever it deems best, to control the formation, organization, operation, expenditures,

and all other aspects of the Area Advertising Cooperative, even if there is no disagreement among its members.

(3) Activities and Oversight. Franchisee agrees to send EA and the Area Advertising Cooperative any reports that EA requires, including, but not limited to, information to confirm Franchisee's compliance with its minimum contribution obligations. The Area Advertising Cooperative will operate only for the purpose of advertising, marketing, and promoting EDIBLE® Businesses (on a local-market basis if applicable) for the benefit of the Area Advertising Cooperative's members. The Area Advertising Cooperative and its members may not use any advertising, marketing, or promotional plans or materials that have not been approved by EA pursuant to Section 10.A and, if applicable, the terms of the Area Advertising Cooperative's by-laws or operating agreement.

**E. Special Advertising and Promotional Programs.** In addition to Franchisee's other obligations pursuant to this Section 10, Franchisee agrees to participate during the Term in any advertising or promotional programs that have been approved by a majority of EA's franchisees operating within the particular geographic area and, to the extent there are insufficient monies in the Fund or one or more Area Cooperatives available for or allocated to such programs, to promptly remit the required funds to an advertising account to be maintained by EA for such purpose even if such contribution is in excess of the Marketing Fees Cap.

## **11. ACCOUNTING AND BOOKKEEPING RECORDS**

### **A. Records and Reports of the Franchised Business.**

(1) Record Keeping and Reporting. Franchisee shall establish and maintain at its own expense a bookkeeping, accounting, and recordkeeping system conforming to the requirements and formats (including Excel spreadsheets and digital and other electronic formats) EA prescribes from time to time. The records and information contained in this system will not include any records or information relating to Franchisee's employees. Franchisee must use the Computer System to maintain certain sales data and other information. Franchisee agrees to give EA in the manner and format that EA prescribes from time to time certain reports, including without limitation:

- (a) a weekly (or, if applicable, daily) Gross Sales report, as provided in Section 9.B.;
- (b) within fifteen (15) days after the end of each month, the operating statements, profit and loss and other financial statements, statistical reports, and other information EA requests regarding Franchisee and the Franchised Business covering the previous month and, if requested, the fiscal year to date;
- (c) within sixty (60) days after the end of the fiscal year of the Franchised Business, annual profit and loss and source and use of funds statements and a balance sheet for the Franchised Business as of the end of that fiscal year, which shall include reference to any security agreements or liens related to the Franchised Business; and
- (d) within ten (10) days after EA's request, exact copies of federal and state income tax returns, sales tax returns, customer lists, purchase records, and any other forms,

records, books, and other information EA periodically requires relating to the Franchised Business.

Franchisee agrees to verify and sign each report and financial statement in the manner EA prescribes. EA may disclose data derived from these reports. Moreover, EA may, as often as it deems appropriate (including on a daily basis), access the Computer System, retrieve all information relating to the operation of the Franchised Business, including, but not limited to, the information referenced in subparagraphs (a) through (d) above, and use such information for the business purposes it deems appropriate.

(2) Record Retention. Franchisee agrees to preserve and maintain all required records in a secure location at the Store Location during the Term and for at least three (3) years after the termination or expiration of this Agreement.

**B. Franchisee's Organization.** If Franchisee is or becomes a corporation, partnership, or limited liability company (LLC), the following requirements shall apply:

(1) Franchisee shall provide EA copies of Franchisee's corporate, partnership, or LLC resolution authorizing and directing its officers, directors, partners, or members, as the case may be, to enter into this Agreement and, at EA's request, copies (draft and/or final) of any shareholders agreement, operating agreement, or partnership agreement (as applicable) among Franchisee's owners, as well as Franchisee's federal employer identification and state sales tax registration numbers;

(2) Franchisee shall maintain a current list of all owners of record and all beneficial owners of any class of voting stock, partnership interest, or membership interest of Franchisee and shall furnish such list to EA upon its request;

(3) All shareholders, partners, or members of Franchisee shall jointly and severally guarantee Franchisee's performance hereunder and shall bind themselves to the terms of this Agreement by executing a Guaranty and Assumption of Obligations; and

(4) If Franchisee wants to change its name during this Agreement's term, it first must notify EA, pay EA a nonrefundable name change fee in the amount of three hundred and fifty dollars (\$350), and give EA all information it requests regarding the proposed name change. EA will not accept Franchisee's new name unless Franchisee complies with these requirements.

## **12. QUALITY CONTROL INSPECTIONS AND AUDITS**

**A. Right to Inspect.** EA and its designated agents or representatives, including without limitation third-party health and safety inspectors and accountants, may at all times and without prior notice to Franchisee:

(1) inspect the Franchised Business;

(2) photograph the interior and exterior of the Store Location and observe, record, monitor, and video the Franchised Business's operation (digitally or otherwise);

(3) remove and evaluate samples of any products and supplies;



- (4) interview managers and customers of the Franchised Business;
- (5) inspect Franchisee's and the Franchised Business's business, bookkeeping, accounting records, sales and income tax records and returns, security agreements, and other records it deems relevant to assess Franchisee's compliance with this Agreement and System Standards either onsite, or at an offsite location, including without limitation at EA's principal business address. In the event of an offsite review, Franchisee shall, at its sole expense, promptly send all such records to the location designated by EA or its agents and representatives.

Franchisee agrees to fully cooperate with EA and its agents and representatives. If EA exercises any of these rights, it will not interfere unreasonably with the operation of the Franchised Business. In the event that: (1) EA reasonably suspects that Franchisee is failing to comply with any System Standard (e.g., Franchisee's Franchised Business is the subject of customer complaints or poor customer satisfaction ratings); or (2) Franchisee has failed to meet any of the System Standards or local health and safety requirements during a prior inspection, regardless of who performed the inspection, then EA may require that Franchisee pay for all costs and expenses related to any subsequent inspections that EA (or its agents or representatives) performs at the Store Location.

**B. Customer Evaluations.** Franchisee agrees to present to its customers the evaluation forms that EA periodically prescribes and to participate and/or request its customers to participate in any surveys performed by or for EA.

**C. Audit.** If any examination of records discloses an understatement of the Gross Sales of the Franchised Business, Franchisee agrees to pay EA, within fifteen (15) days after receiving the examination report, the amount of the understatement, plus the late payment fee as prescribed in Section 9.H. In addition, if (1) such examination is necessary due to Franchisee's failure to furnish reports, supporting records, or other information as required, or to furnish these items on a timely basis, or (2) if the examination reveals an understatement exceeding three percent (3%), Franchisee agrees to reimburse EA for the costs of the examination, including, without limitation, the charges of attorneys and independent accountants and the travel expenses, room and board, and compensation of EA's employees.

**D. Records Deficiency Fee.** If any inspection or examination of records reveals a deficiency in record keeping practices or Franchisee fails to otherwise produce any records as required by this Agreement, then EA may, in its sole discretion and in addition to all other remedies available to it under this Agreement, assess a \$250 records deficiency fee for each category of required records that Franchisee fails to maintain or produce, which shall be payable five (5) business days after notification of that EA will charge such fee. No cure period which may be applicable to the Franchisee's failure pursuant to Section 17 herein shall apply to delay, modify, or otherwise eliminate Franchisee's obligation to pay such fee or fees.

**E. Non-Compliance Fee.** If any inspection or examination of records reveals a deviation from a contractual requirement, including any System Standard, then EA may, in its sole discretion in addition to all other remedies available to it under this Agreement, assess a \$250 Non-Compliance Fee for each deviation cited by EA, which shall be payable five (5) business days after notification that EA will charge such fee. However, if EA discovers that same (or a substantially similar) deviation on one or more consecutive, subsequent inspections or examinations of the Franchised Business (including because a previous deviation was not corrected as required), the Non-Compliance Fee will be Five-Hundred Dollars (\$500) for the first and each subsequent repeat deviation. (The Non-Compliance Fee does not apply to

payment defaults for which EA may charge late fees.) No cure period which may be applicable to the Franchisee's failure pursuant to Section 17 herein shall apply to delay, modify, or otherwise eliminate Franchisee's obligation to pay such fee or fees.

### **13. INSURANCE**

**A. Overall Coverage Required.** Franchisee shall procure, prior to opening the Franchised Business, and shall maintain in full force and effect during the Term, at Franchisee's expense, an insurance policy or policies protecting Franchisee, EA, EA's affiliates, and their respective owners, officers, directors, partners, and employees against any loss or claims whatsoever arising or occurring upon or in connection with operating or owning the Franchised Business. EA and its affiliates shall be named as additional insureds on all policies EA designates, using the forms EA requires. EA may require Franchisee to participate in a master or group insurance policy that EA maintains for the System.

**B. Required Insurance Policies and Limits.** Franchisee shall obtain coverage that includes limits at least equal to those shown for the categories of required insurance:

- (1) General liability insurance: \$1 million per occurrence, \$1 million personal injury/advertising liability, \$10,000 medical payments, \$1 million Stop Gap coverage (certain states), and \$2 million general aggregate;
- (2) Auto Liability and Physical Damage Coverage: \$1 million combined single limit, \$1 million hired/non-owned liability, \$5,000 medical payments or Personal Injury Protection, and \$1 million uninsured/underinsured motorists' liability;
- (3) Workers' compensation insurance prescribed by EA or state law, whichever is greater;
- (4) Employers Liability insurance: \$500,000/\$500,000/\$500,000;
- (5) Property insurance: 100% of the replacement cost of all business personal property (\$100,000 minimum);
- (6) Business income/Extra expense: 12 months of sales; and,
- (7) Umbrella Liability insurance to extend over the general, employers, and auto liability insurance policies: \$1 million.
- (8) Employment Practices Liability insurance in an amount EA may set from time-to-time with EA named as a co-defendant.

EA may at any time, with reasonable prior notice to Franchisee, increase the required amounts of insurance coverage and require Franchisee to obtain different or additional kinds of insurance to reflect inflation, the identification of special risks, changes in law or standards of liability, higher damage awards, or other relevant changes in circumstances.

**C. Recommended Insurance Coverage.** In addition to the required coverage listed in Section 13.B. or other coverage that EA may designate from time to time, EA recommends, but does not require that Franchisee, at its sole option, also obtains the following coverage:

- (1) Increased Umbrella Liability coverage with a policy limit of \$5 million;
- (2) Increased Employee Practices Liability coverage with a policy limit of \$1 million; and
- (3) Trade Restoration Insurance with coverage for claims and losses arising from foodborne illnesses and products liability.

**D. Qualified Insurance Carrier.** All insurance policies required under this Agreement shall be written by an insurance company with an A.M. Best rating of not less than A-VII and in accordance with standards and specifications set forth in the Operations Manual or otherwise specified in writing by EA. Consistent with its right, described elsewhere in this Agreement, to limit the suppliers of goods and services with which Franchisee may deal, EA has the right to require Franchisee to obtain insurance coverage through specific insurance brokers and companies.

**E. No Limitations on Coverage.** Franchisee's obligations to obtain and maintain the foregoing insurance policies in the amounts specified shall not be limited in any way by reason of any insurance which may be maintained by EA, nor shall Franchisee's performance of that obligation relieve it of liability under the indemnity provisions set forth in this Agreement. Franchisee may maintain such additional insurance as it may consider advisable.

**F. Evidence of Coverage.** Upon obtaining the insurance required by this Agreement and on each policy renewal date thereafter, Franchisee shall promptly submit evidence of satisfactory insurance and proof of payment to EA, together with, upon request, copies of all policies, policy amendments and endorsements. The evidence of insurance shall include a statement by the insurer that the policy or policies will not be canceled or materially altered without giving at least thirty (30) days' prior written notice to EA.

**G. EA May Procure Insurance Coverage.** Should Franchisee, for any reason, fail to procure or maintain the insurance required by this Agreement, as described from time to time by the Operations Manual or otherwise in writing, EA shall have the right and authority (but no obligation) to procure such insurance on Franchisee's behalf and at Franchisee sole expense, together with a reasonable fee for EA's expenses in obtaining such coverage. Any costs, expenses, or other fees that EA incurs as a result of exercising its rights under this Agreement shall be payable to EA in the same method as all other fees under this Agreement as set forth in Section 9.I of this Agreement and may be offset from all other monies due and owing to Franchisee by EA or its Affiliates in compliance with Section 9.K of this Agreement.

#### **14. INDEMNIFICATION**

**A. Definition of Losses.** "Losses" shall mean all claims, obligations, liabilities, damages (actual, consequential, or otherwise), and reasonable defense costs that any Indemnified Party incurs. Defense costs include, without limitation, accountants', arbitrators', attorneys', and expert witness fees, costs of investigation and proof of facts, court costs, travel and living expenses, and other expenses of litigation, arbitration, or alternative dispute resolution, regardless of whether litigation, arbitration, or alternative dispute resolution is commenced.

**B. By Franchisee.** Franchisee agrees to indemnify and hold harmless EA, its affiliates, and their respective owners, directors, officers, employees, agents, successors, and assignees (the "EA

Indemnified Parties") against, and to reimburse any one or more of the EA Indemnified Parties for, all Losses directly or indirectly arising out of the Franchised Business's operation; the business Franchisee conducts under this Agreement; Franchisee's noncompliance or alleged noncompliance with any law, ordinance, rule, or regulation, including any allegation that EA or another EA Indemnified Party is a joint employer or otherwise responsible for Franchisee's acts or omissions relating to Franchisee's employees; or Franchisee's breach of this Agreement, including, without limitation, in all such cases all Losses alleged to be caused by the EA Indemnified Party's negligence or willful misconduct. At the election of any EA Indemnified Party, in its sole discretion, Franchisee agrees either (1) to defend the EA Indemnified Parties against any and all such Losses, including those alleging the EA Indemnified Party's negligence or willful misconduct; or, (2) pay all costs related to a EA Indemnified Party's, by itself or through the counsel of its choice, defense of or other response to any claim. The EA Indemnified Parties further reserve the right, in cooperation with Franchisee and at Franchisee's sole expense, to agree to settlements or take any other remedial, corrective, or other actions for all Losses for which Franchisee is responsible pursuant to this Paragraph B.

**C. By EA.** EA agrees to indemnify and hold harmless Franchisee and its owners, directors, officers, employees, agents, successors, and assignees (the "Franchisee Indemnified Parties" together with the EA Indemnified Parties, the "Indemnified Parties") against, and to reimburse any one or more of the Franchisee Indemnified Parties for, all Losses, including defense costs incurred in defending any action under Paragraph B, that Franchisee incurs as a result of a claim asserted by a third party, but only to the extent that a final unappealable ruling issued by a court or arbitrator with competent jurisdiction has determined that a EA Indemnified Party's negligence or willful misconduct in fact occurred and solely and directly caused the Losses that the Franchisee Indemnified Party incurred, so long as the claim to which those Losses relate is not asserted on the basis of theories of vicarious liability (including agency, apparent agency, or joint employment) or EA's failure to compel Franchisee to comply with this Agreement.

**D. Survival.** This Section 14 will continue in full force and effect subsequent to and notwithstanding this Agreement's expiration or termination. The Indemnified Party need not seek recovery from any insurer or other third party, or otherwise mitigate its Losses, in order to maintain and recover fully a claim against the other Party under this Section 14. The Parties agree that a failure to pursue a recovery or mitigate a Loss will not reduce or alter the amounts that the Indemnified Party may recover pursuant to this Section 14.

## **15. COVENANTS**

**A. Definition of Competitive Business.** The term "Competitive Business" means:

(1) any business in which a primary item prepared or sold by the business includes fresh flowers; fresh fruit that is cut into flower or other shapes and arranged in containers as floral designs; fruit dipped in chocolate or other consumable toppings; or any gifting business featuring treats such as cupcakes, cookies, donuts, or other baked goods; or,

(2) any business granting franchises or licenses to others to operate a business described in Paragraph (1) (other than an EDIBLE® Business operated under a franchise agreement with EA).

**B. In-Term.** Franchisee and its owners acknowledge that Franchisee and its owners will receive access to valuable specialized training and Confidential Information which provides a competitive

advantage to the System. Therefore, Franchisee agrees that, during this Term, neither Franchisee, any of its owners, nor any of its or its owners' spouses will:

- (1) have any direct or indirect controlling interest as an owner – whether of record, beneficial, or otherwise – in a Competitive Business, wherever located or operating;
- (2) have any direct or indirect non-controlling interest as an owner – whether of record, beneficial, or otherwise – in a Competitive Business, wherever located or operating (except that equity ownership of less than five percent (5%) of a Competitive Business whose stock or other forms of ownership interest are publicly traded on a recognized United States stock exchange will not be deemed to violate this subparagraph);
- (3) perform services as a director, officer, manager, employee, consultant, representative, or agent for a Competitive Business, wherever located or operating;
- (4) divert or attempt to divert any actual or potential business or customer of the Franchised Business to a Competitive Business;
- (5) solicit other franchisees, or use available lists of franchisees, for any commercial purpose other than purposes directly related to the operation of the Franchised Business;
- (6) authorize, assist, or induce another to develop, open or operate a Competitive Business;  
or
- (7) engage in any other activity which might injure the goodwill of the Marks and EDIBLE® and EDIBLE ARRANGEMENTS® franchise system.

**C. Post-Term.** Franchisee and its owners covenant that Franchisee and its owners, for a continuous uninterrupted period commencing upon the earlier of: (i) the expiration, termination, or Transfer of this Franchise Agreement for any reason; or (ii) the time any owner ceases to be an owner of the Franchised Business, and continuing for two years thereafter, except as otherwise approved in writing by EA, neither Franchisee nor its owners shall directly or indirectly, for themselves or through, on behalf of or in conjunction with any other person or entity:

- (1) Have any direct or indirect (e.g., through a spouse, sibling, child, or parent) interest as an owner (whether of record, beneficial, or otherwise), investor, partner, director, officer, employee, consultant, representative, or agent in any Competitive Business located or operating:
  - (a) at the Store Location of Franchisee's former Franchised Business;
  - (b) within five (5) miles of the Store Location of Franchisee's former Franchised Business;
  - (c) within five (5) miles of the store locations of any other EDIBLE® Businesses in operation on the Effective Date to the extent any of such store locations is still operational on the effective date of the termination or expiration of this Agreement; or
  - (d) within five (5) miles of the store locations of any other EDIBLE® Businesses in operation on the later of the effective date of the termination or expiration of this

Agreement or the date on which the restricted person begins to comply with this subsection;

- (2) Divert or attempt to divert any customer of EDIBLE® Businesses to any other business or to perform any other act injurious or prejudicial to the goodwill associated with the Marks or the System;
- (3) Solicit other franchisees, or use available lists of franchisees, for any commercial purpose;
- (4) Authorize, assist, or induce another to perform any action prohibited by this Paragraph C.

**D. Directives.** In the event of any dispute related to this Section 15, Franchisee and its owners direct any third party construing this Section 15, including without limitation any court, mediator, master, or other party acting as trier of fact or law:

- (1) To conclusively presume that the restrictions set forth in this Section 15 are reasonable and necessary in order to protect (i) EA's legitimate business interests, including without limitation the interests of EA's other franchisees; (ii) the confidentiality of the Confidential Information; (iii) the integrity of the System; (iv) EA's investment in the System; (v) the investment of EA's other franchisees in their franchised businesses; and (vi) the goodwill associated with the System;
- (2) To conclusively presume that the restrictions set forth in this Section 15 will not unduly burden Franchisee or its owners' ability to earn a livelihood;
- (3) To construe this Section under the laws governing distribution contracts between commercial entities in an arms-length transaction, and not under laws governing employment contracts; and
- (4) To conclusively presume that any violation of the terms of this Section 15 (i) was accompanied by the misappropriation and inevitable disclosure of Confidential Information; and (ii) constitutes a deceptive and unfair trade practice and unfair competition.

**E. Interpretation.** Franchisee and its owners agree that each of the foregoing covenants is independent of any other covenant or provision of this Agreement. If all or any portion of the covenants in this Section 15 are held to be unenforceable or unreasonable by any court, then the parties intend that the court modify such restriction to extent reasonably necessary to protect EA's legitimate business interests. Franchisee and its owners agree that the existence of any claim it or they may have against EA will not constitute a defense to the enforcement of the covenants of this Section 15. Franchisee agrees to pay all damages, costs, and expenses (including reasonable attorney's fees) EA may incur in enforcement of this Section. If a person fails to comply with the covenants in this Section, then the restrictive period will be extended for each day of noncompliance. EA has the right to reduce the scope of any restrictive covenant set forth in this Section at any time, by giving notice to the Franchisee.

**F. Tolling.** To provide the protection and restriction intended herein, the two-year period provided in Section 15.C shall be automatically tolled during the pendency of a proceeding whereby either party challenges or seeks to enforce the covenant-not-to compete, provided that such proceeding is initiated during the term of this Agreement or during the two-year post-termination period as provided herein.

**G. Publicly Held Corporations.** Sections 15.B and 15.C of this Franchise Agreement shall not apply to the ownership by Franchisee or its owners of less than a 5% interest in the outstanding equity securities of any publicly-held corporation.

**H. Execution of Covenants by Management.** Franchisee agrees to obtain appropriate covenants from its officers, directors, and managers. EA has the right to review and pre-approve the form of non-competition agreement Franchisee uses—solely to ensure that Franchisee adequately protects Confidential Information and the competitiveness of EDIBLE® Businesses—and to be a third-party beneficiary of those agreements with independent enforcement rights. Under no circumstances will EA control the forms or terms of employment agreements Franchisee uses with its employees or otherwise be responsible for Franchisee’s labor relations or employment practices.

**I. Covenant as to Anti-Terrorism Laws.** Franchisee and its owners agree to comply with, and/or to assist EA to the fullest extent possible in its efforts to comply with the USA Patriot Act and USA Freedom Act, and all other present and future U.S. federal, state and local laws, ordinances, regulations, policies, lists and any other requirements of any governmental authority addressing or in any way relating to terrorist acts or acts of war.

## **16. TRANSFERS**

**A. Definition of Transfer.** “Transfer” means a voluntary, involuntary, direct, or indirect assignment, sale, gift, or other disposition of any interest in: (a) this Agreement; (b) Franchisee; (c) the Franchised Business or substantially all of its assets; or, (d) Franchisee’s owners (if such owners are legal entities). The following events, without limitation, shall be deemed a Transfer:

- (1) transfer of ownership of capital stock, a partnership or membership interest, or another form of ownership interest;
- (2) merger or consolidation or issuance of additional securities or other forms of ownership interest;
- (3) any sale of a security convertible to an ownership interest;
- (4) transfer of an interest in Franchisee, this Agreement, the Franchised Business or substantially all of its assets, or any parent of the Franchisee, in a divorce, insolvency, or entity dissolution proceeding or otherwise by operation of law;
- (5) if Franchisee, one of its owners, or an owner of any parent of the Franchisee, as applicable, dies, a transfer of an interest in Franchisee, this Agreement, the Franchised Business or substantially all of its assets, or Franchisee’s parent by will, declaration of or transfer in trust, or under the laws of intestate succession; or,
- (6) pledge of this Agreement (to someone other than EA) or of an ownership interest in Franchisee or its owners as security, foreclosure upon the Franchised Business, or Franchisee’s transfer, surrender, or loss of the Franchised Business’s possession, control, or management.

**B. By EA.** Franchisee acknowledges that EA maintains a staff to manage and operate the franchise system and that staff members can change as employees come and go. Franchisee represents

that it has not signed this Agreement in reliance on any particular shareholder, director, officer, or employee remaining with EA in that capacity. EA may change its ownership or form and/or assign this Agreement and any other agreement to a third party without restriction. After EA's assignment of this Agreement to a third party who expressly assumes the obligations under this Agreement, EA no longer will have any performance or other obligations under this Agreement, and Franchisee will look solely to the transferee or assignee, and not to EA, for satisfaction of any obligation transferred or assigned. EA may also sell its assets (including this Agreement), or the System to a third party; offer its ownership interests privately or publicly; merge, acquire other business entities, or be acquired by another business entity; and/or undertake a refinancing, recapitalization, leveraged buyout, or other economic or financial restructuring.

**C. EA's Right to Approve Transfers by Franchisee.** Franchisee understands and acknowledges that the rights and duties this Agreement creates are personal to Franchisee (or, if Franchisee is an entity, to Franchisee's owners) and that EA has granted Franchisee the franchise in reliance upon its perceptions of Franchisee's (or its owners') individual or collective character, skill, aptitude, attitude, business ability, and financial capacity. Accordingly, no Transfer may occur without EA's prior written approval, which EA will not unreasonably withhold or delay, if Franchisee satisfies the conditions set forth in this Article 16. Franchisee acknowledges and agrees that EA has the absolute right to analyze, perform due diligence, and vet any potential transferee or assignee to determine its ability to comply with the System, and a denial of the transfer based on EA's judgment shall not be deemed unreasonable. Franchisee expressly authorizes EA to:

- (1) contact and communicate with any proposed transferee or assignee regarding the Franchised Business and the System;
- (2) share any information or reports with the proposed transferee or assignee; and,
- (3) withhold consent to the Transfer in EA's sole discretion.

Franchisee waives any and all claims that such conduct constitutes tortious interference with contractual or business relations or is otherwise unlawful or tortious. Any Transfer without EA's approval is a breach of this Agreement and has no effect, meaning that Franchisee (and its owners) will continue to be obligated to EA for all of Franchisee's obligations under this Agreement. If Franchisee wants EA to help Franchisee sell the Franchised Business, for example, by finding a buyer for the Franchised Business, EA may charge Franchisee its then current franchise resale assistance fee and require Franchisee to sign EA's then current form of franchise resale assistance agreement.

**D. Conditions for Approval of Transfer.** If Franchisee (and its owners) are in substantial compliance with this Agreement, then, subject to the other provisions of this Section 16, EA will approve a Transfer that meets all of the requirements in this Section 16.C.

- (1) Transfer of Ownership Interest Among Owners. Any portion of the ownership interest in Franchisee, if it is an entity, or the Franchised Business to a Person who is an existing owner of the Franchisee, if it is an entity, or the Franchised Business (determined as of the date on which the proposed transfer will occur) may be transferred if:
  - (a) the proposed transferee and its direct and indirect owners (if the transferee is an entity) are not in default of any obligations under this Agreement or any other agreement,



contract, or independent obligations with EA, its affiliates, its landlord, or a third-party vendor;

(b) the proposed transferee and its direct and indirect owners have no ownership interest in and do not perform of services for a Competitive Business;

(c) the proposed transferee and its direct and indirect owners (if the transferee is an entity) have signed or will sign EA's then current Guaranty and Assumption of Obligations agreement;

(d) Franchisee pays EA a Transfer fee of twenty-five hundred dollars (\$2500), which is due when Franchisee requests approval of the Transfer and nonrefundable whether or not the Transfer occurs; and

(e) the proposed Transfer does not violate any law.

(2) Transfer of Franchise Rights or Ownership Interest in to a Third-Party. If the proposed Transfer is of all or some of the franchise rights or ownership interest in either the Franchisee, if the Franchisee is an entity, or the Franchised Business to a Person who does not currently own any interest in either the Franchisee or the Franchised Business, then all of the following conditions must be met before or concurrently with the effective date of the Transfer:

(a) the transferee, in EA's judgment, must have sufficient business experience, aptitude, and financial resources to operate the Franchised Business and otherwise be qualified under EA's then-existing standards for the approval of new franchise owners or of existing franchise owners interested in acquiring additional franchises;

(b) Franchisee must have paid all Royalties, EDIBLE.COM Fees, all fees subject to the Marketing Fees Cap, fees for training, and any other amounts owed to EA, its affiliates, and third-party vendors or landlords and submitted all required reports and statements during both the sixty (60) day period before Franchisee requested EA's consent to the Transfer and the period between Franchisee's request and the effective date of the Transfer;

(c) Franchisee must not have violated any material provision of this Agreement or any other agreement with EA or its affiliates during both the sixty (60) day period before Franchisee requested EA's consent to the Transfer and the period between Franchisee's request and the effective date of the Transfer;

(d) the transferee and its owners (if the transferee is an entity) or affiliates must not have an ownership interest (direct or indirect) in or perform services for a Competitive Business;

(e) the transferee (or its Managing Owner) and its manager (if different from the Franchised Business's manager) must satisfactorily complete EA's initial training program, for which the transferee must pay EA its then current initial training fee;

(f) Franchisee's landlord(s) allows it to assign or sublease its Store Location to the transferee;

- (g) Franchisee is not in default of any loan or financing or security agreement, and, upon request, Franchisee will provide evidence of the same;
- (h) the transferee or Franchisee, as applicable, shall, if EA so requires, sign EA's then current form of franchise agreement ("Replacement Franchise Agreement") and related documents, all of which provisions shall supersede any contained herein, including the initial term and Delivery Area set forth therein, which provisions may differ materially from this Agreement. Notwithstanding the foregoing, the initial term of the Replacement Franchise Agreement will only apply if any applicable landlord consents to any necessary extension of the lease term. Notwithstanding anything to the contrary in the Replacement Franchise Agreement, the Royalty and Marketing Fees Cap contained in this Agreement shall supersede any contrary provisions in the Replacement Franchise Agreement for that period of the initial term of the Replacement Franchise Agreement equal to the remaining time left in the Term at the time of Transfer;
- (i) Franchisee or the transferee pays EA a Transfer fee in an amount equal to ten thousand dollars (\$10,000), one-half (½) of which is due when Franchisee requests approval of the Transfer and is nonrefundable, whether or not the Transfer actually occurs, and the other one-half (½) of which is due if and when the Transfer occurs. However, no Transfer fee is due if, upon a spouse's death, that spouse's interest in the franchise rights granted by this Agreement, the Franchised Business, or the Franchisee, is transferred to the surviving spouse;
- (j) Franchisee pays EA the REMAP fee as set forth in Section 9.H herein;
- (k) Franchisee (and its transferring owners) signs a general release, in a form satisfactory to EA, of any and all claims against EA and its owners, officers, directors, employees, and agents;
- (l) EA determines that the purchase price and payment terms will not adversely affect the transferee's operation of the Franchised Business;
- (m) if Franchisee or its owners finance any part of the purchase price, they agree that, until such time that the transferee's obligations are satisfied, that Franchisee and its owners:
- (i) agree that all of the transferee's obligations under promissory notes, agreements, or security interests reserved in the Franchised Business are subordinate to the transferee's obligation to pay Royalties, EA Marketing Initiatives contributions, and other amounts due to EA, its affiliates, and third-party vendors;
  - (ii) shall remain secondarily liable to EA for all payment obligations related to the Franchised Business, including Royalties, EA Marketing Initiatives contributions, and other amounts due to EA; and
  - (iii) must obtain EA's approval of any default provisions that allow Franchisee or its owners to take back control of the Franchised Business, which right shall not

be automatic, and satisfy any conditions EA reasonably imposes prior to taking such control;

(n) at EA's option, Franchisee or transferee, as applicable, makes or agrees to make the improvements, upgrades, and updates in the Franchised Business and its Operating Assets that EA determines are necessary to bring into compliance with then-current System Standards, irrespective of the cost limitations in Section 4.D.2, and within the time period EA specifies;

(o) Franchisee and its transferring owners will not directly or indirectly at any time or in any manner (except with respect to other EDIBLE® Businesses they own and operate) identify themselves in any business as a current or former EDIBLE® Business or as one of EA's franchisees; use any Mark, any colorable imitation of a Mark, or other indicia of an EDIBLE® Business in any manner or for any purpose; or utilize for any purpose any trade name, trade or service mark, or other commercial symbol that suggests or indicates a connection or association with EA; and

(p) the proposed Transfer does not violate any law.

**E. Transfer for the Convenience of Ownership.** Notwithstanding any contrary provisions of this Section 16, if Franchisee is an individual or two or more individuals and fully complying with this Agreement, Franchisee may, upon prior written notice to EA, transfer this Agreement to a corporation or limited liability company that conducts no business other than the Franchised Business and, if applicable, other EDIBLE® Businesses, in which Franchisee maintains management control, and of which Franchisee owns and controls one hundred percent (100%) of the equity and voting power of all issued and outstanding ownership interests, provided that all of the Franchised Business's assets are owned, and the Franchised Business is conducted, only by that single corporation or limited liability company. Before the Transfer will be deemed effective, the corporation or limited liability company must expressly assume all of Franchisee's obligations under this Agreement by signing EA's required form of assignment and assumption agreement. Franchisee must immediately give EA all information regarding the corporation or limited liability company that EA requests and pay EA with its Transfer request a fee in the amount of three hundred and fifty-dollars (\$350). Franchisee agrees to remain personally liable under this Agreement as if the Transfer to the corporation or limited liability company did not occur.

**F. Upon Death or Disability.** Upon the death or disability of the Franchisee, or if Franchisee is an entity, its Managing Owner, the obligations of this Section 16.F. shall be automatically triggered. The term "disability" means a mental or physical disability, impairment, or condition that is prevents or is reasonably expected to prevent Franchisee or the Managing Owner from supervising the management and operation of the Franchised Business.

(1) **Transfer Upon Death or Disability.** Franchisee's or the Managing Owner's executor, administrator, conservator, guardian, or other personal representative must Transfer Franchisee's interest in the franchise rights granted by this Agreement, or the Managing Owner's ownership interest in Franchisee, to a third-party, which may be Franchisee's or the Managing Owner's heirs, beneficiaries, or devisees. Such Transfer must be completed within a reasonable time, not to exceed nine (9) months from the date of death or disability and is subject to all of the terms and conditions in this Section 16. A failure to Transfer Franchisee's interest in the franchise

rights granted by this Agreement or the Managing Owner's ownership interest in Franchisee within this time period is a breach of this Agreement.

(2) **Operation Upon Death or Disability.** Prior to the effective date of any Transfer pursuant to Section 16.F.(1), to ensure proper operation of the Franchised Business, the following obligations shall apply:

(a) If a certified manager is not managing the Franchised Business, Franchisee's or the Managing Owner's executor, administrator, conservator, guardian, or other personal representative must within a reasonable time, not to exceed fifteen (15) days from the date of death or disability, appoint a manager. The manager must promptly complete EA's standard training program at Franchisee's expense;

(b) In the case of the death or disability of the Managing Owner, a new Managing Owner acceptable to EA also must be appointed within thirty (30) days; and,

(c) If, in EA's judgment, the Franchised Business is not being managed properly any time after Franchisee's or the Managing Owner's death or disability, EA may, but need not, assume the Franchised Business's management or appoint a third-party to assume its management, provided that if EA does so:

(i) the manager will not exercise direct or indirect control over the working conditions of the Franchised Business's employees, except to the extent such indirect control is related to EA's legitimate interest in protecting the quality of products, service, or the EDIBLE® and EDIBLE ARRANGEMENTS® brand;

(ii) all funds from the Franchised Business's operation while it is under EA's (or the third party's) management will be kept in a separate account, and all expenses will be charged to this account;

(iii) EA may charge Franchisee, in addition to other amounts due under this Agreement, four hundred dollars (\$400) per day, plus EA's (or the third-party's) direct out-of-pocket costs and expenses; and

(iv) EA (or the third-party) has a duty to utilize only reasonable efforts and, provided that neither party is not grossly negligent and does not commit an act of willful misconduct, EA will not be liable to Franchisee or its owners for any debts, losses, or obligations the Franchised Business incurs, or to any of Franchisee's creditors for any products, other assets, or services the Franchised Business purchases, while EA or the third-party manages it.

**G. Effect of Consent to Transfer.** EA's consent to a Transfer of this Agreement and the Franchised Business, or any interest in Franchisee or its owners, is not a representation of the fairness of the terms of any contract between Franchisee and the transferee, a guarantee of the Franchised Business's or transferee's prospects of success, or a waiver of any claims EA has against Franchisee (or its owners) or of EA's right to demand the transferee's full compliance with this Agreement.

**H. EA's Right of First Refusal.** If Franchisee or any of its owners desire to accept any valid, bona fide offer from a third party for a Transfer, then Franchisee must notify EA in writing of each offer

and provide EA with copies of all relevant documentation related to such offer. To be a valid, bona fide offer, the proposed purchase price must be in a dollar amount, and the proposed buyer must submit with its offer an earnest money deposit equal to five percent (5%) or more of the offering price. EA shall have the right and the option, exercisable within thirty (30) days of receiving such offer and all relevant documentation, to purchase the interest offered for the price and on the terms and conditions contained in the offer ("First Option Period"), provided that:

- (1) The terms of the offer shall not be revocable as to EA during the First Option Period, regardless if the third-party offeror withdraws;
- (2) EA may substitute cash for any form of payment proposed in the offer (such as ownership interests in a privately-held entity);
- (3) EA's credit will be deemed equal to the credit of any proposed buyer (meaning that, if the proposed consideration includes promissory notes, EA or its designee may provide promissory notes with the same terms as those offered by the proposed buyer);
- (4) EA will have an additional thirty (30) days to prepare for closing after notifying Franchisee of its election to purchase;
- (5) EA must receive, and Franchisee and its owners agree to make, all customary representations and warranties given by the seller of the assets of a business or the ownership interests in a legal entity, as applicable, including, without limitation, representations and warranties regarding:
  - (a) ownership and condition of and title to ownership interests and/or assets;
  - (b) Franchisee's and its owners' authorization to sell, as applicable, any ownership interests or assets without violating any law, contract, or requirement of notice or consent;
  - (c) liens and encumbrances relating to ownership interests and/or assets;
  - (d) validity of contracts and the liabilities, contingent or otherwise, of the entity whose assets or ownership interests are being purchased; and
  - (e) indemnities for all actions, events, and conditions that existed or occurred in connection with the Franchised Business before the closing of EA's purchase;
- (6) If the offer is to purchase all of Franchisee's ownership interests, EA may elect instead to purchase all of the assets of the Franchised Business (and not any of Franchisee's ownership interests) on the condition that the amount EA pays Franchisee for such assets equals the full value of the transaction as proposed in the offer (*i.e.*, the value of all assets to be sold and of all liabilities to be assumed); and
- (7) If the price offered to Franchisee or its selling owner(s) for the interest proposed to be transferred includes all or a portion of the transfer fee referenced in Subsection 16.C.(2)(h) above, EA or its designee may reduce the purchase price it must pay (if it exercises the right of first refusal) by the amount of that transfer fee (or portion of the transfer fee).

**I. EA's Rights Upon Expiration of the First Option Period.** If, EA does not exercise its right of first refusal during the First Option Period, Franchisee shall notify EA in writing of any material change in the terms of the sale ("Change in Conditions"). Upon such Change in Conditions or if Franchisee does not complete the sale to the proposed buyer within sixty (60) days from notice that EA will not exercise its rights, EA or its designee will have an additional right of first refusal during the thirty (30) day period (the "Second Option Period"), following either the Change in Conditions or the expiration of the 60-day period, either on the terms originally offered or the modified terms, at EA's or its designee's option. If EA does not exercise its right of first refusal during the First Option Period or the Second Option Period, the proposed Transfer to a third-party shall remain subject to all the conditions of this Section 16.

**J. Effect of EA's Exercise of its Option.** EA's exercise of its rights pursuant to this Section 16 shall not constitute a waiver of any other provision of this Agreement, including without limitation the post-term covenants in Section 15.C and shall be deemed a Transfer for purposes of Section 16.C. EA has the unrestricted right to assign its rights of first refusal to a third- party.

**K. Public Offerings.** Notwithstanding any other provisions in this Agreement, Franchisee (and its owners) may not, without EA's prior written consent, which EA may grant or withhold for any or no reason, attempt to raise or secure funds by selling or offering to sell any ownership interest in Franchisee (including, without limitation, common or preferred stock, bonds, debentures, membership interests, or general or limited partnership interests) in a public offering for which a registration statement must be filed with the Securities Exchange Commission or with any similar state regulatory authority having jurisdiction over the sale of securities where registration is required as a condition of the sale of securities in that state.

## **17. EVENTS OF DEFAULT**

**A. Events of Default with Opportunity to Cure.** EA may, but shall not be obligated to, exercise any of the remedies provided for in Section 18, including, but not limited to termination of this Agreement upon the occurrence of any of the following, all of which shall constitute an Event of Default by Franchisee under this Agreement, provided that:

(1) Franchisee shall have thirty (30) days from the date EA sends Franchisee written notice of the same to cure the following Events of Default:

(a) Franchisee's (or any of its owners') failure to comply with any provision of this Agreement or any mandatory System Standard, not otherwise set forth in this Section 17;  
or

(b) Franchisee's failure to maintain the insurance EA requires, or to provide proof of such insurance;

(c) Franchisee's failure to initiate and complete any required maintenance or modification of the Store Location, the Franchised Business, or its Operating Assets.

(2) Franchisee shall have ten (10) days from the date EA sends Franchisee written notice of the same to cure the following Events of Default:

- (a) Franchisee's failure to pay EA (or its affiliates) any amounts due or to have sufficient funds in its account when EA (or its affiliates) attempts to withdraw the funds electronically;
- (b) Franchisee's failure to have any real estate brokers, architects, general contractors or suppliers approved by EA as required by this Agreement;
- (c) Franchisee's failure to have any marketing or advertising materials approved by EA as required by this Agreement;
- (d) Franchisee's failure to offer all products or services required by EA;
- (e) Franchisee's offer of any products or services not required or otherwise approved by EA from the Store Location or in the operation of the Franchised Business, unless, in EA's reasonable opinion, Franchisee's offer of any such unapproved products or services creates an immediate threat to health and safety in which case no cure period shall be applicable;
- (f) Franchisee's failure to maintain or observe the health and sanitation procedures prescribed by EA or by applicable law, unless, in EA's reasonable opinion, such failure is an immediate threat to health and safety in which case no cure period shall be applicable;
- (g) Franchisee's failure to operate the Franchised Business in compliance with the Operations Manual;
- (h) Franchisee's (or its owners') default under any other agreement with EA or its affiliates;
- (i) Franchisee's refusal to allow EA to inspect the Franchised Business or its records upon demand;
- (j) Franchisee's unwillingness or failure to complete any training required by this Agreement or EA and its affiliates, provided however that failure to complete Initial Training is an Event of Default for which there is not opportunity to cure;
- (k) Franchisee's failure to pay any third-party vendor or supplier any amounts due for its purchases from that vendor or supplier, or failure to pay its landlord any rent due or other financial obligation for the Store Location, unless: Franchisee is in good faith contesting its liability for those amounts; Franchisee notifies EA in writing of the reason for its non-payment; and EA agrees that Franchisee has a legitimate reason for the non-payment;
- (l) Franchisee's default under a loan of any kind, unless: Franchisee is in good faith contesting its liability for those amounts; Franchisee notifies EA in writing of the reason for its non-payment; and EA agrees that Franchisee has a legitimate reason for the non-payment; or
- (m) Franchisee's failure to notify and gain approval of name change pursuant to Section 11.B.(4).

Franchisee may only avoid termination or the application of other remedies by immediately acting to cure such Event of Default and curing it to EA's satisfaction during the applicable cure period as provided in Section 17A. If any such Event of Default is not cured within the specified period, or such longer period as required by law, then this Agreement shall immediately terminate upon EA's written notice to Franchisee.

**B. Events of Default Without Opportunity to Cure.** EA may, but shall not be obligated to, exercise any of the remedies provided for in Section 18 of this Agreement including, but not limited to, termination of this Agreement immediately upon the occurrence of any of the following, all of which shall constitute an Event of Default by Franchisee under this Agreement without providing Franchisee any opportunity to cure:

- (1) Franchisee (or any of its owners) has made or makes any material misrepresentation or omission in acquiring the franchise or operating the Franchised Business;
- (2) Franchisee does not secure a site for its Store Location by the Site Selection Deadline;
- (3) Franchisee does not commence operating the Franchised Business by the Opening Deadline;
- (4) Franchisee (or its Managing Owner) does not satisfactorily complete any Initial Training;
- (5) Either Franchisee's (or its owner's) action or failure to act, or the construction, maintenance, or operation of the Franchised Business results in a threat, danger, or injury to the health or safety of any person;
- (6) If Franchisee (or any of its owners) engages in any violent or threatening act towards and employee, customer, or any other person;
- (7) Franchisee becomes insolvent or makes an assignment for the benefit of creditors, or Franchisee files a voluntary bankruptcy petition, or if Franchisee is adjudicated as bankrupt through an involuntary petition or otherwise, or if a court appoints a receiver or other custodian of Franchisee's business or assets, or if a final judgment remains unsatisfied or of record for thirty (30) days or longer (unless supersedeas bond is filed), or if execution is scheduled to be levied or is levied against the Franchised Business, or suit to foreclose any lien or mortgage against the Franchised Business is instituted against Franchisee and not dismissed within thirty (30) days, or if any substantial real or personal property of the Franchised Business is noticed to be sold or shall be sold as a result of any levy thereon;
- (8) Franchisee ceases operation of the Franchised Business for three (3) consecutive days without EA's prior written approval;
- (9) Franchisee relocates the Franchised Business without EA's prior written consent;
- (10) Franchisee surrenders control of the operation of the Franchised Business without EA's prior written consent;
- (11) Franchisee fails to initiate or complete any maintenance, improvements, or upgrades to the Store Location or the Operating Asset as required by EA from time to time within thirty (30) days of receiving notice thereof or another timeframe which EA may designate;



- (12) Franchisee (or any of its owners) is or has been convicted by a trial court of, or pleads or has pleaded guilty or no contest to a crime or offense that EA reasonably believes is likely to have an adverse effect on the Franchised Business, the System or the goodwill associated with the Marks, or a felony;
- (13) Franchisee (or any of its owners) engages in any dishonest, unethical, or discriminatory conduct which, in EA's opinion, adversely affects the reputation of the Franchised Business, the System, or the goodwill associated with the Marks;
- (14) Franchisee (or any of its owners) makes or attempts to make an unauthorized Transfer of an ownership interest in Franchisee (or its owner), or the Franchised Business;
- (15) Franchisee fails to report to EA within five (5) days any notice received by Franchisee from a governmental agency relating to any health, safety, or sanitation matter involving Franchisee's operation of the Franchised Business, or fails to cure any alleged violation thereunder within the time provided by law;
- (16) Franchisee fails to pay when due any federal or state income, employment, service, sales, or other taxes due on the operation of the Franchised Business, unless: Franchisee is in good faith contesting its liability for those amounts; Franchisee notifies EA in writing of the reason for its non-payment; and EA agrees that Franchisee has a legitimate reason for the non-payment;
- (17) Franchisee knowingly maintains false books or records, knowingly submits any false statements or information to EA, or understates the Gross Sales of the Franchised Business three (3) times or more during the Term or by more than five percent (5%) on any one occasion;
- (18) Franchisee (or its Owners) commits a material violation of Section 4.F. (Compliance with Laws), Section 8 (Confidential Information), Section 15 (Covenants), or Section 16 (Transfers), or violates any other provision of this Agreement which by its nature cannot be cured;
- (19) Franchisee's does not have a representative in attendance at a convention of franchisees and such absence is not excused by EA;
- (20) Franchisee (or any of its owners) fails to comply with any obligation under this Agreement, the System Standards, or the Operations Manual (including without limitation, Franchisee's failure to meet any standard set forth in EA's operational inspection reports related to the Store Location or Franchised Business) on three (3) or more separate occasions within any twelve (12) consecutive month period, whether or not EA notifies Franchisee of the failures or Franchisee corrects such failures;
- (21) Franchisee (or any of its owners) fails to comply with the same obligation under this Agreement, the System Standards, or the Operations Manual (including without limitation, Franchisee's failure to meet any standard set forth in EA's operational inspection reports related to the Store Location or Franchised Business) on two (2) or more separate occasions within any six (6) consecutive month period, whether or not EA notifies Franchisee of the failures or Franchisee corrects such failures;
- (22) Franchisee fails to correct any records deficiency identified by EA during an inspection pursuant to Section 12;

- (23) Franchisee has a judgment issued against it from any court that is not satisfied or properly appealed so that it is stayed from execution within thirty (30) days of issuance;
- (24) Franchisee receives notification from the landlord of the Store Location that the landlord is retaking possession of the Store Location, an eviction proceeding is filed against the Franchisee, or if Franchisee otherwise loses the right to possession of the Store Location;
- (25) Franchisee loses the right to occupy the Store Location (but not because of its lease default), or the Store Location is damaged to such an extent that Franchisee no longer can operate the Store Location for a thirty (30) day period, and Franchisee fails both to relocate the Store Location to a substitute site EA accepts and to begin operating the Store Location from that substitute site within one hundred eighty (180) days from the date Franchisee could not occupy the Store Location;
- (26) If EA or its affiliates terminates any other agreement between Franchisee (or its owners) and EA or its affiliates for Franchisee's (or its owners) default thereunder;
- (27) Franchisee alleges or purports to terminate this Agreement prior to its expiration, which Franchisee has no right to do;
- (28) Franchisee misuses or makes any unauthorized use of the Marks or otherwise materially impairs the goodwill associated with the Marks or EA's rights in or to any aspect of the System; or
- (29) Franchisee's or any of its owners' assets, property, or interests are blocked under any law, ordinance, or regulation relating to terrorist activities, or Franchisee or any of its owners otherwise violate any such law, ordinance, or regulation.

**C. Definition.** The actions, occurrences, and breaches described in Sections 17.A and 17.B shall constitute an "Event of Default" under this Agreement.

**D. No Waiver.** In no event shall any failure of EA to provide notice of any Event of Default or enforce any available remedy upon the occurrence of an Event of Default be deemed to be a waiver of its right to exercise any such remedy or its right to enforce all obligations and full performance of this Agreement as described herein.

## **18. TERMINATION AND REMEDIES**

**A. Termination and Other Remedies.** Upon Franchisee's failure to cure any Event of Default within the time period set for in Section 17.A or immediately upon the occurrence of any Event of Default in Section 17.B, EA may, in its sole discretion and without liability to Franchisee or any other person, exercise any or all of the following remedies:

- (1) Immediately terminate this Agreement by providing Franchisee written notice of such termination;
- (2) Enter the Store Location and complete at Franchisee's sole expense any required upgrade, modification, or maintenance necessary to comply with the then-current System Standards;

- (3) Require Franchisee to have audited financial statements prepared annually during the Term;
- (4) Remove Franchisee from any advertising materials used for the system while such default or non-compliance continues or for such other period of time that EA, in its sole discretion deems appropriate, provided that Franchisee shall remain responsible for all costs of participation;
- (5) Suspend or terminate any fee reductions which EA might have agreed to during the Term of this Agreement or any amendment to this Agreement;
- (6) Require Franchisee to undergo additional inspections at Franchisee's sole cost;
- (7) Require Franchisee, its Managing Owner, its onsite manager, or other employees of the Franchisee to participate in additional training at Franchisee's sole cost;
- (8) Refuse to provide any operational support that this Agreement otherwise requires EA to provide, including other information technology and network services;
- (9) Assess Franchisee a fine up to \$500 per day for each day an Event of Default or failure remains uncured beyond any applicable cure period;
- (10) Reduce the size of any Delivery Area including reducing the Population Threshold for the remainder of the Term or any other time frame EA designates;
- (11) Take any action to cure a breach or Event of Default on Franchisee's behalf and require Franchisee to reimburse EA for all costs and expenses (including the allocation of any internal costs) for such action, plus 10% as an administrative fee;
- (12) Require Franchisee to temporarily close the Store Location and suspend operations of the Franchised Business until such time EA, in its sole discretion, determines the Franchisee is fully compliant with this Agreement, the System Standards, the Operations Manual, and any other obligation between EA or its affiliates, provided that Franchisee shall remain obligated to continue to pay all fees required under this Agreement, including without limitation the Royalty, Marketing Fees Cap, EDIBLE.COM fees, or other payments due to EA or its affiliates;
- (13) Assume or appoint a third-party to assume the management of the Franchised Business. On account of such assumption of management, Franchisee shall be required to: pay Four Hundred Dollars (\$400) per day, plus out of pocket costs and expenses of EA or the third-party, in addition to all other fees pursuant to this Agreement; and at EA's election, relinquish all Gross Sales generated during the time in which EA or the third-party manages the Franchised Business. Such assumption of management shall continue until such time EA, in its sole discretion, determines that either: (a) the Franchisee or its Managing Owner can operate the Franchised Business in full compliance with this Agreement, the System Standards, the Operations Manual, and any other obligation between EA or its affiliates; or (b) EA exercises its right to terminate this Agreement, which shall not be affected by EA's exercise of its rights pursuant to this Section 18.A.16. EA shall have no liability to Franchisee for any debts, losses, or obligations of Franchisee or the Franchised Business during the time or a third-party manages the Franchised Business; or,

(14) Reduce, modify, suspend, or otherwise terminate any other of Franchisee's rights under this Agreement while such default or non-compliance continues or for such other period of time that EA, in its sole discretion deems appropriate, provided that Franchisee shall remain responsible for all fees or obligations under this Agreement.

**B. Election of Remedies.** If EA exercises any remedies in Section 18.A, EA may at any time after the appropriate cure period, if any, terminate this Agreement without giving Franchisee any additional corrective or cure period. EA's exercise of its rights under Section 18.A will not be a waiver of any breach of this Agreement or EA's right to exercise any other remedies, or to terminate this Agreement pursuant to Section 18.A.(1).

**C. Prohibition on Franchisee Withholding Payments.** Franchisee agrees that it will not withhold payment of any amounts owed to EA on the grounds of EA's alleged nonperformance of any of its obligations under this Agreement or for any other reason. EA may set off any amounts that Franchisee or its owners or affiliates owe EA, EA's affiliates, or others (whether under this Agreement or another agreement) against any amounts that EA or its affiliates owe Franchisee or its owners or affiliates (whether under this Agreement or otherwise). Franchisee specifically waives any right it may have at law or in equity to set off any funds or to fail or refuse to perform any of its obligations under this Agreement. Franchisee agrees to submit all claims, unless otherwise resolved by the parties' mutual agreement, pursuant to provisions of Section 20 below.

**D. General Provisions Concerning Default and Termination.** In any arbitration or other proceeding in which the validity of EA's termination of this Agreement or refusal to enter into a successor franchise agreement is contested, EA may cite to and rely upon all defaults or violations of this Agreement, not only the defaults or violations referenced in any written notice. Franchisee agrees that EA has the right and authority (but not the obligation) to notify any lender and any or all of Franchisee's owners, landlords, creditors, and/or suppliers if Franchisee is in default under, or EA has terminated, this Agreement.

## **19. FRANCHISEE'S OBLIGATIONS UPON TERMINATION OR EXPIRATION**

**A. Effect of Termination or Expiration.** Upon termination or expiration of this Agreement, all rights granted to Franchisee under this Agreement shall immediately terminate including the license to use the Marks and Franchisee's right to operate the Franchised Business. Notwithstanding the foregoing, the following provisions shall survive the termination or expiration of this Agreement: Section 4.F., Section 8, Section 11.A.(2), Section 14, Section 15, Section 19, Section 20, Section 21, and Section 22.

**B. Cease Operating.** Upon termination or expiration of this Agreement, Franchisee shall immediately cease operating the Franchised Business and cease using any of the Marks and Confidential Information; provided however, that this Section 19.B. shall not apply to the operation by Franchisee of any other franchises under the System that EA may separately and independently have granted to Franchisee and that EA has not terminated.

**C. Modify the Premises.** If EA does not exercise its option to acquire the Franchised business at the Store Location pursuant to this Section 19, Franchisee shall make such modifications to the premises of the Franchised Business immediately upon termination or expiration of this Franchise Agreement as may be necessary to distinguish the appearance of the premises from that of other Edible® Businesses, and Franchisee shall make such specific additional modifications as EA may reasonably request for that

purpose. If Franchisee fails to comply with the requirements of this Section 19, EA shall have the right to enter upon the Store Location without being guilty of trespass or any other tort to make such modifications, at Franchisee's expense, which Franchisee shall pay upon demand.

**D. Immediate Payment.** Upon termination or expiration of this Agreement, Franchisee shall immediately pay all sums owing to EA, its affiliates, and its approved or designated suppliers, through the effective date of termination or expiration.

**E. Liquidated Damages.** If this Agreement is terminated pursuant to Section 18, EA shall be entitled, as liquidated damages and not as a penalty and solely to compensate EA for damages due to Franchisee's failure to continue operating the Franchised Business for the remainder of the Term, to a sum equal to:

- (1) \$15,000 to cover the administrative costs associated with the store closure; and,
- (2) the average Royalties and Marketing Fees Cap owed by Franchisee (even if not paid) per month over the 12-month period preceding the date of termination (or, if the Franchised Business was not open throughout such 12-month period, then the average Royalties and Marketing Fees Cap earned per month for the period in which the Franchised Business was open), multiplied by the lesser of: (i) 18; or (ii) the number of months remaining in the Term.

This liquidated damages provision will not limit EA's right to injunctive relief relating to any violations of this Agreement, nor limit any damages available to EA arising out of such violations. Franchisee acknowledges and agrees that the amount of liquidated damages determined in accordance with the preceding formula reasonably represents EA's monetary losses resulting from the termination of this Agreement.

**F. Return of Materials.** Franchisee agrees, at its own cost and without any payment from EA, to return to EA, to make available to EA for pick-up, or to destroy (at EA's option), in any case within seven (7) days of termination or expiration of this Agreement, all signs, sign-faces, sign-cabinets, menu boards, marketing materials, forms, all copies of the Manuals, Confidential Information and any and all other materials provided by EA to Franchisee or created by a third party for Franchisee relating to the operation of the Franchised Business, and all items containing any Marks ("Proprietary Materials"); provided however, that Franchisee may retain Franchisee's copy of this Franchise Agreement, and correspondence between Franchisee and EA, and any other document which Franchisee needs for compliance with any applicable laws. Franchisee shall delete from the Computer System any proprietary information, including but not limited to products, methods of preparation, inventory and pricing. In the event that Franchisee fails to comply with this obligation, EA has the right to perform such obligations on Franchisee's behalf and at Franchisee's sole expense, including by contacting any vendor that services the Computer System to disable Franchisee's access and/or by physically seizing control and possession of the Computer System to perform such obligations on Franchisee's behalf. Franchisee is obligated to pay EA fifteen thousand dollars (\$15,000) for all Confidential Information and Proprietary Materials not returned to EA when required.

**G. Return of Proprietary Equipment.** Franchisee agrees, at its own cost and without any payment from EA, to return to EA or to make available to EA for pick-up (at EA's option) within seven (7) days of termination or expiration of this Agreement the Proprietary Equipment. If Franchisee fails to do so voluntarily when EA requires, EA or its representatives may enter the Store Location at EA's

convenience and remove these items without liability to Franchisee or third parties. Franchisee must reimburse EA's costs of doing so. Franchisee is obligated to pay EA fifteen thousand dollars (\$15,000) for each piece of Proprietary Equipment not returned to EA when required.

**H. Close Vendor Accounts.** Franchisee must close all of Franchisee's accounts with suppliers which were opened in connection with the Franchised Business. EA has the right to notify Franchisee's suppliers that this Agreement has expired or been terminated and to require them to close Franchisee's accounts, if Franchisee fails to do so.

**I. Cease Identification with EA.** Upon termination or expiration of this Agreement, Franchisee may not directly or indirectly at any time or in any manner identify itself in any business as a current or former EDIBLE® Business or as one of EA's current or former franchisees; use any Mark, any colorable imitation of a Mark, or other indicia of an EDIBLE® Business in any manner or for any purpose; or use for any purpose any trade name, trade or service mark, or other commercial symbol that indicates or suggests a connection or association with EA. Franchisee shall promptly cancel all assumed name or equivalent registrations relating to Franchisee's use of the Marks and notify any applicable telephone, Internet, email, electronic network, directory, and listing entities of the termination or expiration of Franchisee's right to use any numbers, addresses, domain names, locators, directories and listings associated with any of the Marks; provided however, that this Section 19.I. shall not apply to the operation by Franchisee of any other franchisee under the System that EA may separately and independently have granted Franchisee and that EA has not terminated. Franchisee will authorize the transfer of the foregoing to EA or any new franchisee as may be directed by EA. Franchisee hereby irrevocably appoints EA, with full power of substitution, as Franchisee's true and lawful attorney-in-fact, which appointment is coupled with an interest; to execute such directions and authorizations as may be necessary or appropriate to accomplish the foregoing.

**J. Evidence of Compliance.** Franchisee agrees to give EA evidence satisfactory to EA of Franchisee's compliance with these obligations.

**K. EA's Purchase and Lease Rights.** Upon the termination or expiration of this Agreement. EA shall have the right, but not the obligation, pursuant to this Section 19.K., to purchase the Franchised Business and/or the assets of the Franchised Business and/or lease the premises of the Franchised Business, or to assign this right to any party of EA's choosing, at its election (the "Purchase Option").

(1) Time to Exercise. EA or its designee to whom EA has assigned the Purchase Option, may exercise the Purchase Option by giving Franchisee written notice no later than thirty (30) days after the date of termination or expiration, of its intent either:

(a) to purchase the assets of the Franchised Business and/or the fee simple interest in the premises of the Store Location (if Franchisee or one of its affiliates owns such premises) or,

(b) if Franchisee (or one of its affiliates) does not own the premises or EA chooses not to purchase Franchisee's (or its affiliate's) fee simple interest in the premises, to purchase the assets of the Franchised Business and/or exercise its rights to the premises pursuant to subparagraph (3) below.

(2) Representations and Warranties. EA is entitled to all customary warranties and representations in its asset purchase, including, without limitation, representations and warranties as to ownership and condition of and title to assets; liens and encumbrances on assets; validity of contracts and agreements; liabilities affecting the assets, contingent or otherwise; and indemnities for all actions, events, and conditions that existed or occurred in connection with the Franchised Business before the closing of EA's purchase.

(3) Right to Premises. If Franchisee leases the premises for its Store Location from an unaffiliated lessor, or if EA chooses not to purchase Franchisee's (or its affiliate's) fee simple interest in the premises, Franchisee agrees (as applicable) at EA's election:

- (a) to assign its leasehold interest in the premises to EA;
- (b) to enter into a sublease for the remainder of the lease term on the same terms (including renewal options) as the lease; or
- (c) to lease the premises to EA for an initial five (5) year term, with two five (5) year renewal terms (at EA's option), on commercially reasonable terms. If the parties cannot agree on such lease terms, the dispute will be resolved using the Appraisal method set forth in Section 19.K.(5) below.

(4) Purchase Price. The purchase price for the assets of the Franchised Business and, if applicable, the fee simple interest in the premises will be their fair market value, provided that these items will not include any value for:

- (a) the Franchise or any rights granted by this Agreement;
- (b) goodwill attributable to the Marks and EA's brand image and other intellectual property;
- (c) participation in the network of EDIBLE® Businesses; or
- (d) any Proprietary Materials or Proprietary Equipment.

EA may exclude from the assets purchased any Operating Assets or other items that are not reasonably necessary (in function or quality) to the operation of the Franchised Business or that EA has not approved as meeting System Standards for EDIBLE® Businesses, and the purchase price will reflect these exclusions.

(5) Appraisal. If EA and Franchisee cannot agree on fair market value or rental value, fair market value or rental value will be determined by one (1) independent accredited appraiser upon whom EA and Franchisee agree who will conduct an appraisal or rental determination and, in doing so, be bound by the criteria specified in subparagraph (3). Franchisee and EA agree to select the appraiser within fifteen (15) days after EA (or its assignee) notifies Franchisee that it wishes to exercise its Purchase Option (if Franchisee and EA have not agreed on fair market value before then). Franchisee and EA will share equally the appraiser's fees and expenses. The appraiser must complete its appraisal or rental determination within thirty (30) days after its appointment. The purchase price will be the appraiser's appraised value, as applicable. The rental rate will be the appraiser's rental determination, as applicable. If EA and Franchisee cannot mutually agree upon

one appraiser within in fifteen (15) days of EA (or its assignee) notifying Franchisee that it wishes to exercise its purchase option, then EA, within seven (7) days thereafter, shall notify Franchisee of the names of two appraisers or firms having the capacity to perform or engage others to appraise the premises or fair market rent for the premises. Franchisee shall select, within seven (7) days after such notification by EA, one of such appraisers or firms to be responsible for determining fair market purchase price or rent value; otherwise, EA shall select one such appraiser or firm to be responsible for determining fair market value or rental value and such appraiser's or firm's decision shall be binding. EA and Franchisee shall divide equally the cost of any appraiser or firm.

(6) Closing. EA (or its assignee) will pay the purchase price at the closing, which will take place not later than sixty (60) days after the purchase price is determined, although EA (or its assignee) may decide after the purchase price is determined not to purchase the Franchised Business and/or the fee simple interest in the premises. EA may set off against the purchase price, and reduce the purchase price by, any and all amounts Franchisee or its owners owe EA, EA's affiliates, or others on account of Franchisee's operation of the Franchised Business. At the closing, Franchisee agrees to deliver instruments transferring to EA (or its assignee):

- (a) good and merchantable title to the assets purchased, free and clear of all liens and encumbrances (other than liens and security interests acceptable to EA), with all sales and other transfer taxes paid by Franchisee;
- (b) all of the licenses and permits of the Franchised Business that may be assigned or transferred; and
- (c) the fee simple or leasehold interest in the premises and improvements or a lease assignment or lease or sublease, as applicable.

If Franchisee cannot deliver clear title to all of the purchased assets, or if there are other unresolved issues, EA (or its assignee) and Franchisee will close the sale through an escrow. Franchisee and its owners further agree to execute general releases, in a form satisfactory to EA, of any and all claims against EA and its owners, affiliates, officers, directors, employees, agents, successors, and assigns. If EA exercises its rights under this Section 19.K., Franchisee and its owners agree that, for two (2) years beginning on the closing date, they will be bound by the non-competition covenant contained in Section 15.C.

(7) Prohibition on Asset Sales by Franchisee. Franchisee may not under any circumstances sell any of the assets of its former Franchised Business until EA has exercised or elected not to exercise its right to purchase those assets, as provided in this Section 19.K. However, under no circumstances may Franchisee sell any items containing any Mark, any Confidential Information, any Proprietary Materials, or any Proprietary Equipment.

## **20. DISPUTE RESOLUTION**

**A. Notice and Opportunity to Cure.** As a mandatory condition precedent prior to Franchisee's taking any legal or other action against EA, whether for damages, injunctive, equitable, or other relief (including, but not limited to, relief related to termination or the



remedy of rescission), Franchisee shall first give EA ninety (90) days' prior written notice and opportunity to cure any alleged act or omission, or to resolve any dispute.

**B. Mediation.** If a dispute arises out of or relates to this Franchise Agreement, or the breach thereof, the Parties agree first to try in good faith to settle the dispute by mediation using the American Arbitration Association ("AAA") or another mutually agreeable mediation service or mediator, with the mediation to be conducted at a suitable location which is within ten (10) miles of where EA has its principal business address at the time the dispute arises, before resorting to arbitration or litigation, or some other dispute resolution procedure. The foregoing shall not apply to: (i) any controversy or claim relating to ownership or use of the Marks or Confidential Information; (ii) any claim by EA for an injunction or other equitable relief; and (iii) any claim by EA for unpaid Royalties or other unpaid amounts owed to EA or its Affiliates.

**C. Arbitration.**

(1) Agreement to Arbitrate. Franchisee and EA agree that all controversies, disputes, or claims between EA and its affiliates, and their respective owners, officers, directors, agents and/or employees, and Franchisee (and/or its owners, guarantors, affiliates and/or employees) arising out of or related to:

- (a) this Agreement or any other agreement between them;
- (b) EA's relationship with Franchisee;
- (c) the validity of this Agreement or any other agreement between Franchisee and EA, or any provision of any such agreements, and the validity and scope of the arbitration obligation under this Subsection; or
- (d) any System Standard;

must be submitted for binding arbitration, on demand of either party, to the American Arbitration Association ("AAA"). Despite Franchisee's and EA's agreement to arbitrate, they each have the right to seek temporary restraining orders and temporary or preliminary injunctive relief from a court of competent jurisdiction (in accordance with the requirements of Section 20.E. below); provided, however, that they must contemporaneously submit their dispute for arbitration on the merits as provided in this Section. Franchisee agrees that if EA applies for and obtains the issuance of a temporary restraining order or temporary or preliminary injunctive relief, EA shall have no obligation to post a bond in excess of \$1,000 and shall be entitled to that relief without proving actual damages, and Franchisee's sole remedy, in the event of the entry of such temporary restraining order or injunction, shall be the dissolution of such order or injunction, if warranted, upon a hearing duly held (all claims for damages by reason of any wrongful issuance of any such order or injunction being expressly waived).

(2) Arbitral Procedure. The arbitration proceedings will be conducted by one arbitrator and, except as this Subsection otherwise provides, according to the AAA's then current commercial arbitration rules. Notwithstanding the foregoing, regardless of any conflict with such rules, the

arbitrator may not consider any settlement discussions or offers that might have been made by either Party.

(3) Location of Arbitration. All proceedings will be conducted at a suitable location which is within ten (10) miles of where EA has its principal business address at the time the arbitration demand is filed. The arbitrator will have no authority to select a different hearing locale other than as described in the prior sentence. All matters relating to arbitration will be governed by the United States Federal Arbitration Act (9 U.S.C. §§ 1 et seq.). Judgment upon the arbitrator's award may be entered in any court of competent jurisdiction.

(4) Scope of Arbitral Award. The arbitrator has the right to award or include in his or her award any relief which he or she deems proper, including, without limitation, money damages, specific performance, injunctive relief, and attorneys' fees and costs, provided that the arbitrator may not declare any Mark generic or otherwise invalid or, except as expressly provided in Section 20.G. below, award any exemplary, punitive, treble, or other forms of multiple damages against the other (Franchisee and EA hereby waiving to the fullest extent permitted by law, except as expressly provided in Section 20.G. below, any right to or claim for any exemplary, punitive, treble, or other forms of multiple damages against the other).

(5) Compulsory Counterclaims. Franchisee and EA agree that, in any arbitration proceeding, each must submit or file any claim which would constitute a compulsory counterclaim (as defined by the United States Federal Rules of Civil Procedure) within the same proceeding as the claim to which it relates. Any claim which is not submitted or filed as required is forever barred.

(6) Costs of Arbitration. Except as set forth in Section 20.F., the costs of arbitration shall be borne in equal share by both Parties. EA reserves the right, but has no obligation, to advance Franchisee's share of the costs (excluding attorneys' fees) of any arbitration proceeding in order for such arbitration proceeding to take place and by doing so shall not be deemed to have waived or relinquished its right to seek the recovery of these costs in accordance with Subsection 20.F.

(7) Effect on Non-Signatories. The provisions of this Subsection are intended to benefit and bind certain third-party non-signatories and will continue in full force and effect subsequent to and notwithstanding this Agreement's expiration or termination.

**D. Governing Law.** THIS AGREEMENT SHALL BE GOVERNED BY THE UNITED STATES FEDERAL ARBITRATION ACT (9 U.S.C. §§ 1 ET SEQ.). EXCEPT TO THE EXTENT GOVERNED BY THE FEDERAL ARBITRATION ACT, THE UNITED STATES TRADEMARK ACT OF 1946 (LANHAM ACT, 15 U.S.C. SECTIONS 1051 ET SEQ.), OR OTHER UNITED STATES FEDERAL LAW, THIS AGREEMENT, THE FRANCHISE, AND ALL CLAIMS ARISING FROM THE RELATIONSHIP BETWEEN EA AND FRANCHISEE WILL BE GOVERNED BY THE LAWS OF THE STATE OF GEORGIA, WITHOUT REGARD TO ITS CONFLICT OF LAWS RULES, EXCEPT THAT ANY GEORGIA LAW REGULATING THE OFFER AND SALE OF FRANCHISES OR BUSINESS OPPORTUNITIES OR GOVERNING THE RELATIONSHIP OF A FRANCHISOR AND ITS FRANCHISEE WILL NOT APPLY UNLESS ITS JURISDICTIONAL REQUIREMENTS ARE MET INDEPENDENTLY WITHOUT REFERENCE TO THIS SECTION.

**E. Jurisdiction and Venue.** SUBJECT TO SECTION 20.C ABOVE AND THE PROVISIONS BELOW, FRANCHISEE AND ITS OWNERS AGREE THAT ALL ACTIONS ARISING UNDER THIS AGREEMENT OR OTHERWISE AS A RESULT OF THE RELATIONSHIP BETWEEN FRANCHISEE AND EA MUST BE COMMENCED

IN THE STATE OR FEDERAL COURT OF GENERAL JURISDICTION LOCATED CLOSEST TO WHERE EA HAS ITS PRINCIPAL BUSINESS ADDRESS AT THE TIME THE ACTION IS COMMENCED, AND FRANCHISEE (AND EACH OWNER) IRREVOCABLY SUBMITS TO THE JURISDICTION OF THAT COURT AND WAIVES ANY OBJECTION IT (OR THE OWNER) MIGHT HAVE TO EITHER THE JURISDICTION OF OR VENUE IN THAT COURT. NONETHELESS, FRANCHISEE AND ITS OWNERS AGREE THAT EA MAY, BUT IS NOT OBLIGATED TO, ENFORCE THIS AGREEMENT AND ANY ARBITRATION ORDERS AND AWARDS IN THE COURTS OF THE STATE OR STATES IN WHICH FRANCHISEE IS DOMICILED OR THE FRANCHISED BUSINESS IS OPERATED. FRANCHISEE AGREES THAT SECTIONS 20.C. AND 20.E. OF THIS AGREEMENT APPLY TO ALL AGREEMENTS BETWEEN FRANCHISEE (OR ITS AFFILIATES) AND EA ENTERED INTO PRIOR TO THE EFFECTIVE DATE AND SUPERSEDES ANY PROVISIONS REGARDING DISPUTE RESOLUTION IN ANY SUCH PRIOR AGREEMENTS.

**F. Costs and Attorneys' Fees.** If EA incurs costs and expenses (both internal and external) to enforce its rights or Franchisee's obligations under this Agreement due to Franchisee's failure to pay when due amounts owed to EA, failure to submit when due any reports, information, or supporting records, or other failure to comply with this Agreement, Franchisee agrees to reimburse EA for all of the costs and expenses (both internal and external) that EA incurs, including, without limitation, reasonable accounting, attorneys', arbitrators', and related fees. Franchisee's obligation to reimburse EA arises whether or not EA begins a formal legal proceeding against Franchisee to enforce this Agreement. If EA does begin a formal legal proceeding against Franchisee to enforce this Agreement, the reimbursement obligation applies to all costs and expenses (both internal and external) EA incurs preparing for, commencing, and prosecuting the legal proceeding and until the proceeding has come to a complete end (including appeals and settlements).

**G. Waiver of Exemplary Damages.** EXCEPT FOR THE PARTIES' OBLIGATION TO INDEMNIFY FOR THIRD PARTY CLAIMS UNDER SECTION 14., AND EXCEPT FOR PUNITIVE DAMAGES AVAILABLE TO EITHER PARTY UNDER UNITED STATES FEDERAL LAW, EA AND FRANCHISEE (AND ITS OWNERS) WAIVE TO THE FULLEST EXTENT PERMITTED BY LAW ANY RIGHT TO OR CLAIM FOR ANY EXEMPLARY, PUNITIVE, TREBLE, AND OTHER FORMS OF MULTIPLE DAMAGES AGAINST THE OTHER AND AGREE THAT, IN THE EVENT OF A DISPUTE BETWEEN THEM, THE PARTY MAKING A CLAIM WILL BE LIMITED TO EQUITABLE RELIEF AND TO RECOVERY OF ANY ACTUAL DAMAGES IT SUSTAINS.

**H. Waiver of Jury Trial.** FRANCHISEE AND EA IRREVOCABLY WAIVE TRIAL BY JURY IN ANY ACTION, PROCEEDING, OR COUNTERCLAIM, WHETHER AT LAW OR IN EQUITY, BROUGHT BY EITHER OF THEM. EACH ACKNOWLEDGES THAT IT MAKES THIS WAIVER KNOWINGLY, VOLUNTARILY, WITHOUT DURESS, AND ONLY AFTER CONSIDERATION OF THIS WAIVER'S RAMIFICATIONS.

**I. Time Limit on Claims.** Any claim arising from or related to this Agreement or the Parties' relationship will be barred unless that claim is filed in a legal proceeding (in the required or permitted forum in accordance with this Agreement) within two years from the date on which the violation, act, or conduct giving rise to the claim occurs, regardless of when the party asserting the claim knew or should have known of the facts giving rise to the claim. Franchisee and EA agree to be bound by the provisions of any limitation on the period of time in which claims must be brought under applicable law or this Agreement, whichever expires earlier. The foregoing time limit does not apply to: (i) Franchisee's non-payment or underpayment of amounts owed to EA or its affiliates; (ii) indemnity claims under Section 14; or (iii) claims related to unauthorized use of Confidential Information and/or of the Marks. This Section does not limit EA's right to terminate this Agreement in any way.

**J. Rights of Parties are Cumulative.** Franchisee's and EA's rights under this Agreement are cumulative, and their exercise or enforcement of any right or remedy under this Agreement will not preclude their exercise or enforcement of any other right or remedy which they are entitled by law to enforce.

**K. Private Disputes.** Any dispute and any arbitration or litigation arising out of or related to this Agreement, the Parties' relationship, or the System will be conducted and resolved on an individual basis only and not a class-wide, multiple plaintiff, group, consolidated, representative, or similar basis. No arbitration or litigation arising out of or relating to this Agreement, the Parties' relationship, or the System may be: (i) brought on behalf of any franchisee association or group, and Franchisee agrees not to participate in any such litigation or arbitration; or (ii) consolidated in or with any proceeding involving any other person or entity, except that this Subsection 20.K.(ii) shall not preclude a proceeding that is solely between, on the one hand, EA and/or its affiliates, and/or their respective owners, officers, directors, agents and/or employees, and, on the other hand, Franchisee (and/or its owners, guarantors, affiliates and/or employees). Notwithstanding the foregoing or anything to the contrary contained in this Section 20, if any court or arbitrator determines that all or any part of this Section 20.K is unenforceable with respect to a dispute that otherwise would be subject to arbitration under this Section 20, then all parties agree that the arbitration clause shall not apply to that dispute and that such dispute shall be resolved in a judicial proceeding in a court permitted under Section 20.E. of this Agreement.

## **21. GENERAL**

**A. Severability.** Every part of this Agreement is severable. If for any reason any part of this Agreement is held to be invalid, that determination will not impair any other part, or the rest, of this Agreement; provided, however, that if EA determines that such finding of invalidity or illegality adversely affects the basic consideration of this Agreement, EA, at its option, may terminate this Agreement. If any covenant which restricts competitive activity is deemed unenforceable by virtue of its scope in terms of area, business activity prohibited and/or length of time, but would be enforceable if modified, Franchisee and EA agree that the covenant will be enforced to the fullest extent permissible under the laws and public policies applied in the jurisdiction whose law determines the covenant's validity. If any applicable and binding law or rule of any jurisdiction requires more notice than this Agreement requires of this Agreement's termination or of EA's refusal to grant a renewal franchise, or some other action that this Agreement does not require, or if, under any applicable and binding law or rule of any jurisdiction, any provision of this Agreement or any System Standard is invalid, unenforceable, or unlawful, the notice and/or other action required by the law or rule will be substituted for the comparable provisions of this Agreement, and EA may modify the invalid or unenforceable provision or System Standard to the extent required to be valid and enforceable or delete the unlawful provision in its entirety.

**B. Captions.** All captions in this Agreement are intended solely for the convenience of the Parties and shall not be given any legal effect.

**C. Relationship of the Parties.** Franchisee and EA understand and agree that this Agreement does not create a fiduciary relationship between them, that they are and will be independent contractors, and that nothing in this Agreement is intended to make either of them a general or special agent, joint venturer, partner, or employee of the other for any purpose. Nor is EA the employer or joint employer of the employees of the Franchised Business. Franchisee agrees to identify itself conspicuously in all dealings with customers, suppliers, public officials, Franchised Business personnel, and others as the Franchised Business's owner, operator, and manager under a franchise EA has granted and to place notices of

independent ownership on the forms, business cards, stationery, advertising, and other materials EA requires from time to time. EA will not exercise direct or indirect control over the working conditions of Franchised Business personnel, except to the extent such indirect control is related to EA's legitimate interest in protecting the quality of products, service, or the EDIBLE® and EDIBLE ARRANGEMENTS® brand. EA does not share or codetermine the terms and conditions of employment of Franchised Business personnel or affect matters relating to the employment relationship between Franchisee and Franchised Business employees, such as employee selection, promotion, termination, hours worked, rates of pay, other benefits, work assigned, discipline, adjustment of grievances and complaints, and working conditions. To that end, Franchisee agrees to identify itself conspicuously in all dealings with Franchised Business personnel as the employer of such personnel and to obtain an acknowledgment and confirmation from such personnel that EA, as the franchisor of EDIBLE® Businesses, is not their employer or joint employer and does not engage in any employer-type activities for which only franchisees are responsible, such as employee selection, promotion, termination, hours worked, rates of pay, other benefits, work assigned, discipline, adjustment of grievances and complaints, and working conditions.

**D. Modification and Changes.** This Agreement cannot be changed or modified except by another agreement in writing signed by the Parties.

**E. Time is of the Essence.** If Franchisee fails to satisfy a condition or comply with an obligation of this Agreement which has a specified time period, EA is not required to give Franchisee any additional time past the expiration of the time period to satisfy such condition or comply with such obligation.

**F. No Third-Party Beneficiaries.** Nothing in this Agreement is intended, nor shall be deemed, to confer any rights or remedies under or as a result of this Agreement upon any person or entity other than Franchisee, EA, and its affiliates.

**G. No Waiver.** No waiver by any Party of a breach or a default hereunder shall be deemed a waiver by such Party of a subsequent breach or default of a similar nature. Subsequent acceptance by EA of any payments due to EA or its affiliates under this Agreement shall not be deemed to be a waiver by EA of any preceding breach by EA of this Franchise Agreement. Franchisee and EA will not waive or impair any right, power, or option this Agreement reserves (including, without limitation, EA's right to demand exact compliance with every term, condition, and covenant or to declare any breach to be a default and to terminate this Agreement before its term expires) because of any custom or practice at variance with this Agreement's terms; their failure, refusal, or neglect to exercise any right under this Agreement or to insist upon the other's compliance with this Agreement, including, without limitation, any System Standard; EA's waiver of or failure to exercise any right, power, or option, whether of the same, similar, or different nature, with other EDIBLE® Businesses; the existence of franchise agreements for other EDIBLE® Businesses which contain provisions different from those contained in this Agreement; or EA's acceptance of any payments due from Franchisee after any breach of this Agreement. No special or restrictive legend or endorsement on any check or similar item given to EA will be a waiver, compromise, settlement, or accord and satisfaction. EA is authorized to remove any legend or endorsement, which then will have no effect.

**H. No Implied Covenant.** The Parties have negotiated the terms of this Agreement and agree that neither Party shall claim the existence of an implied covenant of good faith and fair dealing to contravene or limit any express written term or provision of this Agreement.

**I. Commercially Reasonable Standard.** This Agreement shall be interpreted to require that all actions and non-actions must be undertaken on a commercially reasonable basis, unless sole discretion is specified. The fact that some provisions use the phrase “commercially reasonable” while other provisions do not use that phrase shall not affect the standard set forth above.

**J. Written Consent.** Whenever this Agreement requires EA’s prior approval or consent, Franchisee shall make a timely written request to EA and such approval or consent will not be effective unless made in writing.

**K. Force Majeure Events.** Neither Franchisee nor EA will be liable for loss or damage or be in breach of this Agreement if its failure to perform its obligations results from: (1) compliance with the orders, requests, regulations, or recommendations of any federal, state, or municipal government; (2) acts of God; or (3) fires, strikes, embargoes, war, acts of terrorism or similar events, or riot. Any delay resulting from any of these causes will extend performance accordingly or excuse performance, in whole or in part, as may be reasonable, except that these causes will not excuse payments of amounts owed at the time of the occurrence or payment of Royalties, obligations resulting from the Marketing Fees Cap, EDIBLE.COM fees, or other amounts due afterward.

**L. No Liability for Acts of Other Party.** Except as EA is otherwise permitted under this Agreement, Franchisee and EA may not make any express or implied agreements, warranties, guarantees, or representations, or incur any debt, in the name or on behalf of the other or represent that their relationship is other than EA and franchise owner. EA will not be obligated for any damages to any person or property directly or indirectly arising out of the Franchised Business’s operation or the business Franchisee conducts under this Agreement.

**M. Notice of Legal Proceedings.** Franchisee shall notify EA in writing within five (5) days after the commencement of any action, suit or proceeding (including, but not limited to, litigation, bankruptcy, insolvency, or an assignment for the benefit of creditors), and after the issuance of any order, writ, injunction, award, decree, or notice of any court, agency, or other governmental agency, involving Franchisee or any of its owners, irrespective of the nature of the matter and whether or not Franchisee believes the matter may adversely affect the operation or financial condition of the Franchised Business or impacts the personal financial condition of Franchisee’s owners.

**N. Owner.** References to “owner” in this Agreement means any person holding a direct or indirect ownership interest (whether of record, beneficial, or otherwise) or voting rights in Franchisee (or a transferee of the franchise rights granted by this Agreement and the Franchised Business or an ownership interest in Franchisee), including, without limitation, any person who has a direct or indirect interest in Franchisee (or a transferee), the franchise rights granted by this Agreement, the Franchise, or the Franchised Business and any person who has any other legal or equitable interest, or the power to vest in himself or herself any legal or equitable interest, in their revenue, profits, rights, or assets. “Person” means any natural person, corporation, limited liability company, general or limited partnership, unincorporated association, cooperative, or other legal or functional entity. Unless otherwise specified, all references to a number of days shall mean calendar days and not business days.

**O. Binding Effect.** This Agreement is binding upon Franchisee and EA and their respective executors, administrators, heirs, beneficiaries, permitted assigns, and successors in interest. Subject to EA’s right to modify the Operations Manual and System Standards, this Agreement may not be modified

except by a written agreement signed by Franchisee's and EA's duly-authorized officers specifying their intent to modify this Agreement.

**P. Joint Liability.** If two or more persons are at any time the "Franchisee" under this Franchise Agreement, whether as partners or joint venturers, their obligations and liabilities to EA shall be joint and several.

**Q. Entire Agreement; Modification.** This Franchise Agreement and all ancillary agreements executed contemporaneously with this Franchise Agreement constitute the entire agreement between the parties concerning the subject matter of this Franchise Agreement and supersede any and all prior negotiations, understandings, representations and agreements. Notwithstanding the foregoing, nothing in this Franchise Agreement shall disclaim, or require Franchisee to waive reliance on, any representation that EA made in the Franchise Disclosure Document that EA delivered to Franchisee. Except for those acts that this Franchise Agreement permits EA to take unilaterally, no amendment, change or variance from this Franchise Agreement shall be binding on the parties unless mutually agreed to by both parties and executed by themselves or their authorized officers or agents in writing.

**R. Counterparts.** This Franchise Agreement may be executed in multiple counterparts, and each copy so executed shall be deemed an original. A signed copy of this Franchise Agreement delivered by facsimile, e-mail or other means of electronic execution and/or transmission shall be deemed to have the same legal effect as delivery of an original signed copy of this Franchise Agreement.

**S. Agreement Effective Upon Execution by EA.** This Franchise Agreement will not become effective unless and until signed by one of EA's authorized representatives. EA may withdraw this Franchise Agreement at any time before it is signed by one of EA's authorized representatives, in which event this Franchise Agreement shall be null and void.

## **22. NOTICES AND PAYMENTS**

**A. To Franchisee:** All written notices, reports, and payments permitted or required to be delivered to Franchisee by EA or its Affiliates pursuant to this Agreement or the Operations Manual will be deemed to be delivered:

- (1) at the time delivered by hand;
- (2) at the time delivered via computer transmission;
- (3) one (1) business day after transmission by facsimile if the sender has confirmation of successful transmission;
- (4) one (1) business day after being placed in the hands of a nationally recognized commercial courier service for next business day delivery; or
- (5) three (3) business days after placement in the United States Mail by Registered or Certified Mail, Return Receipt Requested, postage prepaid;

and shall be addressed to the Franchisee at its most current principal business address, facsimile number, or email address (as applicable) of which EA has notice. Unless Franchisee notifies EA otherwise by one of the means specified in clauses (a) through (e) above, Franchisee's principal business address for notice

purposes will be the address of the Store Location. If Franchisee does not yet have, or at any time during this Agreement's term loses possession of or otherwise cannot be reached at, the Store Location, Franchisee's address for notice purposes will be the address appearing on the cover page of this Agreement.

**B. To EA or its affiliates:** All written notices, reports, and payments permitted or required to be delivered to EA or its affiliates by Franchisee pursuant to this Agreement or the Operations Manual shall be deemed delivered:

- (1) Upon receipt by EA of a delivery made via Federal Express, signature required, at EA's principal business address, as reflected on page one of this Agreement (immediately following the table of contents), unless EA notifies Franchisee of another address;
- (2) In the case of the Royalty, Fund contributions, and other amounts due, at the time EA actually receives payment via the automatic draft; or,
- (3) In the case of weekly Gross Sales reports required pursuant to Section 9.I.(1), at the time delivered by electronic transmission or one (1) business day after transmission by facsimile if the Franchisee has confirmation of successful transmission.

Any required payment or report which EA does not actually receive during regular business hours on the date due (or with a sent date from Federal Express at least two (2) days before then) will be deemed delinquent.

### **23. SPECIAL REPRESENTATIONS**

Franchisee and each owner, partner, shareholder, or member if Franchisee is a partnership, corporation, or limited liability company hereby represent as follows:

- (1) Attracting customers for their EDIBLE® Business will require them to make consistent marketing efforts through various methods, including media advertising, direct mail advertising, and couponing.
- (2) Retaining customers for their EDIBLE® Business will require them to have a high level of customer service and to maintain the quality and consistency of the EDIBLE® and EDIBLE ARRANGEMENTS® brand by adhering to EA's System Standards.
- (3) In all of their dealings with Franchisee, EA's officers, directors, employees, and agents act only in a representative, and not in an individual, capacity, and business dealings between Franchisee and them as a result of this Agreement are deemed to be only between Franchisee and EA.
- (4) To induce EA's entry into this Agreement, all statements they have made and all materials they have given EA are accurate and complete, and they have made no misrepresentations or material omissions in obtaining the Franchise.
- (5) This Agreement's terms and covenants are reasonably necessary for EA to maintain its high standards of quality and service, as well as the uniformity of those standards at each EDIBLE® Business, and to protect and preserve the goodwill of the Marks.



(6) Franchisee has sole responsibility and authority for its labor relations and employment practices, including, among other things, employee selection, promotion, termination, hours worked, rates of pay, other benefits, work assigned, discipline, adjustment of grievances and complaints, and working conditions. Franchisee's employees are under Franchisee's control at the Franchised Business. Franchisee must communicate clearly with its employees in its employment agreements, human resources manuals, written and electronic correspondence, paychecks, and other materials that Franchisee (and only Franchisee) is their employer and obtain an acknowledgment and confirmation from such employees that EA, as the franchisor of EDIBLE® Businesses, is not their employer or joint employer and does not engage in any employer-type activities (including those described above) for which only franchisees are responsible;

(7) Franchisee has not signed this Agreement in reliance on any particular shareholder, director, officer, or employee remaining with EA in that capacity, as EA maintains a staff to manage and operate the franchise system and staff members can change as employees come and go;

**The acknowledgments in clauses (8) through (15) below apply to all franchisees and franchises except not to any franchisees and franchises that are subject to the state franchise registration/disclosure laws in California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington, and Wisconsin.**

(8) They have independently investigated the EDIBLE® Business franchise opportunity and recognize that, like any other business, the nature of the business an EDIBLE® Business conducts may, and probably will, evolve and change over time.

(9) An investment in an EDIBLE® Business involves business risks that could result in the loss of a significant portion or all of their investment.

(10) Their business abilities and efforts are vital to their success.

(11) Except as may be provided in a financial performance representation appearing in EA's Franchise Disclosure Document, they have not received from EA, and are not relying upon, any express or implied representations as to the potential volume, sales, income, or profits of an EDIBLE® Business, any information they have acquired from other EDIBLE® Business franchise owners regarding their sales, profits, or cash flows was not information obtained from EA, and EA makes no representation about that information's accuracy.

(12) EA has not made any representation, warranty, or other claim regarding this EDIBLE® Business franchise opportunity, other than those made in this Agreement and its Franchise Disclosure Document, and Franchisee has independently evaluated this opportunity, including by using its business professionals and advisors, and has relied solely upon those evaluations in deciding to enter into this Agreement.

(13) They have been afforded an opportunity to ask any questions they have and to review any materials of interest concerning the EDIBLE® Business franchise opportunity.

(14) They have been afforded an opportunity, and have been encouraged by EA, to have this Agreement and all other agreements and materials EA has given or made available to Franchisee reviewed by an attorney and have either done so or chosen not to do so.

(15) They have a net worth which is sufficient to make the investment in the EDIBLE® Business franchise opportunity represented by this Agreement and will have sufficient funds to meet all of their obligations under this Agreement.

**24. NO WAIVER OR DISCLAIMER OF RELIANCE IN CERTAIN STATES**

The following provision applies only to franchisees and franchises that are subject to the state franchise registration/disclosure laws in California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington, or Wisconsin:

No statement, questionnaire, or acknowledgement signed or agreed to by Franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by EA, any franchise seller, or any other person acting on EA's behalf. This provision supersedes any other term of any document executed in connection with the franchise.

**IN WITNESS WHEREOF**, the parties hereto have duly executed, sealed and delivered this Agreement this \_\_\_\_\_ of \_\_\_\_\_ 20\_\_ but to be effective as of the Effective Date.

**EDIBLE ARRANGEMENTS, LLC:**

By: \_\_\_\_\_ Title: \_\_\_\_\_ Date: \_\_\_\_\_

**FRANCHISEE:** \_\_\_\_\_

By: \_\_\_\_\_ Title: \_\_\_\_\_ Date: \_\_\_\_\_

By: \_\_\_\_\_ Title: \_\_\_\_\_ Date: \_\_\_\_\_

By: \_\_\_\_\_ Title: \_\_\_\_\_ Date: \_\_\_\_\_

By: \_\_\_\_\_ Title: \_\_\_\_\_ Date: \_\_\_\_\_

**EXHIBIT "A"**

**TO FRANCHISE AGREEMENT**

This is Exhibit "A" to the Franchise Agreement executed by EDIBLE ARRANGEMENTS, LLC and \_\_\_\_\_ ("Franchisee") on \_\_\_\_\_, \_\_\_\_\_ for Store # \_\_\_\_\_.

Franchisee's "Site Search Area" shall be the following zip code \_\_\_\_\_.

**EDIBLE ARRANGEMENTS, LLC:**

By: \_\_\_\_\_ Title: \_\_\_\_\_ Date: \_\_\_\_\_

**FRANCHISEE:** \_\_\_\_\_

By: \_\_\_\_\_ Title: \_\_\_\_\_ Date: \_\_\_\_\_

By: \_\_\_\_\_ Title: \_\_\_\_\_ Date: \_\_\_\_\_

By: \_\_\_\_\_ Title: \_\_\_\_\_ Date: \_\_\_\_\_

By: \_\_\_\_\_ Title: \_\_\_\_\_ Date: \_\_\_\_\_

**EXHIBIT "B"**  
**TO THE FRANCHISE AGREEMENT**  
**BETWEEN EDIBLE ARRANGEMENTS, LLC ("EA")**  
**AND**

\_\_\_\_\_ ("**Franchisee**")  
**DATED** \_\_\_\_\_, 20\_\_ **for Store #** \_\_\_\_\_

**This Exhibit B is current and complete**  
**as of** \_\_\_\_\_, 20\_\_

As of the above date, Franchisee has secured, and EA has accepted Franchisee's selection of the following site to open and operate the Franchised Business:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

("Approved Store Location").

EA's acceptance of the Approved Store Location is conditioned on Franchisee's execution of a lease, if applicable, on the terms submitted to EA for its acceptance.

Franchisee agrees and acknowledges that Franchisee shall develop the Store Location in compliance with the Franchise Agreement, including, without limitation, obtaining EA's written approval to open the location.

Franchisee shall complete all such obligations and open the Franchised Business by \_\_\_\_\_, 20\_\_, which is one-hundred and eighty (180) days from the date of this Exhibit B ("Opening Deadline").

**EDIBLE ARRANGEMENTS, LLC:**

By: \_\_\_\_\_ Title: \_\_\_\_\_ Date: \_\_\_\_\_

[Franchisee Acknowledgment on following page].

**Acknowledged and agreed by:**

**FRANCHISEE:** \_\_\_\_\_

By: \_\_\_\_\_ Title: \_\_\_\_\_ Date: \_\_\_\_\_

By: \_\_\_\_\_ Title: \_\_\_\_\_ Date: \_\_\_\_\_

By: \_\_\_\_\_ Title: \_\_\_\_\_ Date: \_\_\_\_\_

By: \_\_\_\_\_ Title: \_\_\_\_\_ Date: \_\_\_\_\_

**EXHIBIT "C"**  
**TO THE FRANCHISE AGREEMENT**  
**BETWEEN EDIBLE ARRANGEMENTS, LLC**  
**AND**

DATED \_\_\_\_\_, 20\_\_ for Store # \_\_\_\_\_

This Exhibit C is current and complete  
as of \_\_\_\_\_, 20\_\_

**Franchisee and Its Owners**

1. **Form of Owner.**

(a)  **Individual Proprietorship or Partnership.** Check off the box to the left if you are signing the Franchise Agreement individually or with another person (including a spouse) and have not yet formed a legal entity to be the franchisee.

(b)  **Form of Legal Entity.** Check off the box to the left and complete this section if you are signing the Franchise Agreement as a corporation or limited liability company.

You were incorporated or formed on \_\_\_\_\_, under the laws of the State of \_\_\_\_\_. You have not conducted business under any name other than your corporate or limited liability company name and \_\_\_\_\_ [complete the previous blank only if applicable]. The following is a list of your managing members, directors, and officers, as applicable, as of the effective date shown above:

**Name of Each Managing Member/Director/Officer**

**Position(s) Held**

_____	_____
_____	_____
_____	_____
_____	_____

2. **Owners.** The following list includes the full name of each person who is one of Franchisee's owners (as defined in the Franchise Agreement), or an owner of one of Franchisee's owners, and fully describes the nature of each owner's interest (attach additional pages if necessary).

**Owner's Name**

**Description of Interest**

(a)	_____	_____
(b)	_____	_____
(c)	_____	_____
(d)	_____	_____

**EDIBLE ARRANGEMENTS, LLC:**

By: \_\_\_\_\_ Title: \_\_\_\_\_ Date: \_\_\_\_\_

**FRANCHISEE: \_\_\_\_\_**

By: \_\_\_\_\_ Title: \_\_\_\_\_ Date: \_\_\_\_\_

By: \_\_\_\_\_ Title: \_\_\_\_\_ Date: \_\_\_\_\_

By: \_\_\_\_\_ Title: \_\_\_\_\_ Date: \_\_\_\_\_

By: \_\_\_\_\_ Title: \_\_\_\_\_ Date: \_\_\_\_\_

**EXHIBIT "D"**

**CONDITIONAL ASSIGNMENT OF TELEPHONE NUMBER(S)**

This Assignment relates to Name of Franchisee: \_\_\_\_\_

Address of Store # \_\_\_\_\_: To be determined when Franchisee finds location

Telephone Number(s) [all numbers to be determined after Franchisee secures location and obtains phone service]: \_\_\_\_\_

For valuable consideration, the Franchisee identified above ("Franchisee") assigns and transfers to Edible Arrangements, LLC ("Company") all of Franchisee's rights and interests in each and all of the telephone numbers that Franchisee has obtained and/or will obtain for its Store and Business (the "Numbers"). Franchisee authorizes Company to file this Assignment with the telephone company that issued the Numbers for the purposes of establishing Company's claim to and right to designate the user of the Numbers. Franchisee acknowledges that Company may insert the Numbers into the space above as soon as they have been identified and that Franchisee need not re-sign or initial this Assignment after the Numbers have been inserted in order for this Assignment to be in full force and effect. By signing below, Franchisee intends that this Assignment be fully enforceable immediately according to its terms. Franchisee irrevocably constitutes and appoints Company as Franchisee's agent and attorney-in-fact for the purposes of (i) signing and delivering any Transfer of Service Agreement or comparable document the telephone company requires to transfer the rights in the Numbers from Franchisee to Company or its designee, and (ii) canceling and revoking any call-forwarding or similar instructions Franchisee has issued to the telephone company with respect to any of the Numbers, with full power to sign Franchisee's name and otherwise to act in Franchisee's name, place and stead. Franchisee agrees to reimburse Company the full amount of any local service and long-distance charges the telephone company requires that Company pay to obtain the Numbers. Franchisee represents and warrants to Company that Franchisee will obtain the Numbers in his or her own name, and that Franchisee will be the person of record the telephone company will recognize as registered user or "owner" of the Numbers until Company exercises its rights under this Assignment.

FRANCHISEE NAME

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

Franchisee's signature

Name: \_\_\_\_\_

Franchisee's name, printed

Title: \_\_\_\_\_

Date: \_\_\_\_\_



FRANCHISEE NAME

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

Franchisee's signature

Name: \_\_\_\_\_

Franchisee's name, printed

Title: \_\_\_\_\_

Date: \_\_\_\_\_

FRANCHISEE NAME

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

Franchisee's signature

Name: \_\_\_\_\_

Franchisee's name, printed

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**EXHIBIT "E"**

**GUARANTY AND ASSUMPTION OF OBLIGATIONS**

**THIS GUARANTY AND ASSUMPTION OF OBLIGATIONS** is given this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, by \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_.

In consideration of, and as an inducement to, the execution of that certain Franchise Agreement (the "Agreement") on this date by **EDIBLE ARRANGEMENTS, LLC** ("us," "we," or "our"), each of the undersigned personally and unconditionally (a) guarantees to us and our successors and assigns, for the term of the Agreement (including extensions) and afterward as provided in the Agreement, that \_\_\_\_\_ ("Franchisee") will punctually pay and perform each and every undertaking, agreement, and covenant set forth in the Agreement (including any amendments or modifications of the Agreement) and (b) agrees to be personally bound by, and personally liable for the breach of, each and every provision in the Agreement (including any amendments or modifications of the Agreement), including (i) monetary obligations, (ii) obligations to take or refrain from taking specific actions and to engage or refrain from engaging in specific activities, including the non-competition, confidentiality, transfer, and arbitration requirements, and (iii) the enforcement and other provisions in Sections 20, 21, 23, and 24.

Each of the undersigned consents and agrees that: (1) his or her direct and immediate liability under this Guaranty will be joint and several, both with Franchisee and among other guarantors; (2) he or she will render any payment or performance required under the Agreement upon demand if Franchisee fails or refuses punctually to do so; (3) this liability will not be contingent or conditioned upon our pursuit of any legal or equitable remedies against Franchisee or any other person; (4) this liability will not be diminished, relieved, or otherwise affected by any extension of time, credit, or other indulgence which we may from time to time grant to Franchisee or to any other person, including, without limitation, the acceptance of any partial payment or performance or the compromise or release of any claims (including the release of other guarantors), none of which will in any way modify or amend this Guaranty, which will be continuing and irrevocable during the term of the Agreement (including extensions) and afterward, for so long as any performance is or might be owed under the Agreement by Franchisee or its owners, and for so long as we have any cause of action against Franchisee or its owners; and (5) this Guaranty will continue in full force and effect for (and as to) any extension or modification of the Agreement and despite the transfer of any interest in the Agreement or Franchisee, and each of the undersigned waives notice of any and all renewals, extensions, modifications, amendments, or transfers.

Each of the undersigned waives: (i) all rights to payments and claims for reimbursement or subrogation which any of the undersigned may have against Franchisee arising as a result of the undersigned's execution of and performance under this Guaranty, for the express purpose that none of the undersigned will be deemed a "creditor" of Franchisee under any applicable bankruptcy law with respect to Franchisee's obligations to us; and (ii) acceptance and notice of acceptance by us of his or her undertakings under this Guaranty, all presentments, demands, and notices of demand for payment of any indebtedness or non-performance of any obligations hereby guaranteed, protest, notice of dishonor, and notice of default to any party with respect to the indebtedness or nonperformance of any obligations

hereby guaranteed, and any other notices and legal or equitable defenses to which he or she may be entitled.

We have no present or future duty to the undersigned under this Guaranty, and each of the undersigned waives any right to claim or assert any such duty or obligation and to discover from us or require us to disclose to the undersigned any financial or other information concerning Franchisee, any other guarantor, or any collateral securing any of Franchisee's obligations to us.

If we are required to enforce this Guaranty in a judicial or arbitration proceeding, and prevail in such proceeding, the undersigned must reimburse our costs and expenses, including, but not limited to, reasonable accountants', attorneys', attorneys' assistants', arbitrators', and expert witness fees, costs of investigation and proof of facts, court costs, other litigation expenses, and travel and living expenses, whether incurred prior to, in preparation for, or in contemplation of the filing of any such proceeding. If we are required to engage legal counsel in connection with any failure by the undersigned to comply with this Guaranty, the undersigned shall reimburse us for any of the above-listed costs and expenses we incur, even if we do not commence a judicial or arbitration proceeding.

**IN WITNESS WHEREOF**, each of the undersigned has affixed his or her signature on the same day and year as the Agreement was executed.

<b>GUARANTOR(S)</b>	<b>PERCENTAGE OF OWNERSHIP IN FRANCHISEE</b>
_____ [Signature of Guarantor]	_____ %
_____ [Print Name and Date]	
_____ [Signature of Guarantor]	_____ %
_____ [Print Name and Date]	
_____ [Signature of Guarantor]	_____ %
_____ [Print Name and Date]	

**EXHIBIT C**

**FINANCIAL STATEMENTS**

**EDIBLE ARRANGEMENTS, LLC**

**FINANCIAL STATEMENTS AND  
SUPPLEMENTARY INFORMATION**

**AS OF DECEMBER 31, 2023 AND 2022  
AND FOR THE YEARS ENDED  
DECEMBER 31, 2023 AND 2022**

# EDIBLE ARRANGEMENTS, LLC

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## INDEPENDENT AUDITORS' REPORT

To the Board of Directors of  
Edible Arrangements, LLC

### *Opinion*

We have audited the financial statements of Edible Arrangements, LLC (the "Company"), which comprise the balance sheets as of December 31, 2023 and 2022, and the related statements of income, changes in member's equity and cash flows for the years that ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Edible Arrangements, LLC as of December 31, 2023 and 2022, 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 (GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Company and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### *Responsibilities of Management for the Financial Statements*

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

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

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

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

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

## ***Supplementary Information***

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The supplementary information consists of balance sheets by divisions as of December 31, 2023 and the statements of income by divisions for the year then ended is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of



the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

*Marum LLP*

Hartford, CT  
May 10, 2024

# EDIBLE ARRANGEMENTS, LLC

## BALANCE SHEETS

DECEMBER 31, 2023 AND 2022

	2023	2022
<b>Assets</b>		
<b>Current Assets</b>		
Cash and cash equivalents	\$ 2,564,558	\$ 263,157
Restricted cash	-	3,115
Accounts receivable	349,978	523,173
Prepaid expenses	1,757,522	313,476
Deferred contract costs, current portion	106,846	105,684
<b>Total Current Assets</b>	<u>4,778,904</u>	<u>1,208,605</u>
<b>Property and Equipment</b>		
Office equipment	442,899	442,899
Store equipment	26,584	26,584
Computer equipment and software	3,422,042	3,422,042
Furniture and fixtures	546,614	541,572
Total property and equipment	4,438,139	4,433,097
Less accumulated depreciation	<u>(2,989,323)</u>	<u>(2,201,818)</u>
<b>Property and Equipment, net</b>	<u>1,448,816</u>	<u>2,231,279</u>
<b>Other Assets</b>		
Deferred contract costs, net of current portion	444,850	535,321
Due from affiliates, net	16,015,000	23,551,671
<b>Total Other Assets</b>	<u>16,459,850</u>	<u>24,086,992</u>
<b>Total Assets</b>	<u>\$ 22,687,570</u>	<u>\$ 27,526,876</u>

*The accompanying notes are an integral part of these financial statements.*

# EDIBLE ARRANGEMENTS, LLC

## BALANCE SHEETS (CONTINUED)

DECEMBER 31, 2023 AND 2022

	2023	2022
<b>Liabilities and Member's Equity</b>		
<b>Current Liabilities</b>		
Accounts payable	\$ 1,973,190	\$ 1,930,414
Accrued expenses	1,370,091	2,802,313
Accrued national advertising expenses	2,852,888	6,688,920
Current portion of deferred franchise revenue	<u>1,398,211</u>	<u>1,435,139</u>
<b>Total Current Liabilities</b>	7,594,380	12,856,786
<b>Deferred Franchise Revenue, Net of Current Portion</b>	<u>3,499,096</u>	<u>3,546,519</u>
<b>Total Liabilities</b>	11,093,476	16,403,305
<b>Member's Equity</b>	<u>11,594,094</u>	<u>11,123,571</u>
<b>Total Liabilities and Member's Equity</b>	<u>\$ 22,687,570</u>	<u>\$ 27,526,876</u>

*The accompanying notes are an integral part of these financial statements.*

# EDIBLE ARRANGEMENTS, LLC

## STATEMENTS OF INCOME

FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

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	<u>2023</u>	<u>2022</u>
<b>Revenues</b>		
Franchise fees	\$ 1,593,136	\$ 1,266,633
Royalties from franchisees	22,800,348	27,098,556
Advertising fund contributions	15,663,845	22,493,251
Other revenue	<u>826,410</u>	<u>439,446</u>
<b>Total Revenues</b>	40,883,739	51,297,886
<b>Operating Expenses</b>	<u>39,993,818</u>	<u>45,155,034</u>
<b>Operating Income</b>	<u>889,921</u>	<u>6,142,852</u>
<b>Other Income (Expense)</b>		
Gain on forgiveness of lease abandonment liability	--	2,651,073
General liability insurance proceeds	1,000,000	--
Other income (expense), net	<u>170,002</u>	<u>(22,806)</u>
<b>Total Other Income</b>	<u>1,170,002</u>	<u>2,628,267</u>
<b>Net Income</b>	<u><u>\$ 2,059,923</u></u>	<u><u>\$ 8,771,119</u></u>

*The accompanying notes are an integral part of these financial statements.*

# EDIBLE ARRANGEMENTS, LLC

## STATEMENTS OF CHANGES IN MEMBER'S EQUITY

### FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

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Balance - January 1, 2022	\$ 22,248,966
Net income	8,771,119
Less distributions	<u>(19,896,514)</u>
Balance - December 31, 2022	11,123,571
Net income	2,059,923
Less distributions	<u>(1,589,400)</u>
Balance - December 31, 2023	<u>\$ 11,594,094</u>

*The accompanying notes are an integral part of these financial statements.*

# EDIBLE ARRANGEMENTS, LLC

## STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

	<u>2023</u>	<u>2022</u>
<b>Cash Flows from Operating Activities</b>		
Net income	\$ 2,059,923	\$ 8,771,119
Adjustments to reconcile net income to net cash (used in) provided by operating activities:		
Depreciation	787,505	134,614
Provision for credit losses	--	301,593
Loss on disposal of property and equipment	--	22,806
Gain on forgiveness of lease abandonment liability	--	(2,651,073)
Amortization of contract assets - deferred costs	90,471	105,616
Recognition of contact liability - deferred revenues	(125,551)	(1,266,633)
Changes in operating assets and liabilities:		
Accounts receivable	173,195	(74,287)
Prepaid expenses	(1,444,046)	452,617
Deferred franchise costs	(1,162)	(115,002)
Other assets	--	257,845
Accounts payable	42,776	238,177
Accrued expenses	(1,432,222)	(2,772,771)
Accrued national advertising fund	(3,836,032)	3,589,816
Deferred franchise revenue	<u>41,200</u>	<u>801,783</u>
<b>Net Cash (Used in) Provided by Operating Activities</b>	<u>(3,643,943)</u>	<u>7,796,220</u>
<b>Cash Flows Used in Investing Activities</b>		
Purchases of property and equipment	<u>(5,042)</u>	<u>(2,003,218)</u>

*The accompanying notes are an integral part of these financial statements.*

# EDIBLE ARRANGEMENTS, LLC

## STATEMENTS OF CASH FLOWS (CONTINUED)

FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

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	<u>2023</u>	<u>2022</u>
<b>Cash Flows Provided by (Used in) Financing Activities</b>		
Net advances from/(to) affiliates	\$ 5,947,271	\$ (6,562,486)
<b>Net Change in Cash, Cash Equivalents and Restricted Cash</b>	2,298,286	(769,484)
<b>Cash, Cash Equivalents and Restricted Cash - Beginning of year</b>	<u>266,272</u>	<u>1,035,756</u>
<b>Cash, Cash Equivalents and Restricted Cash - End of year</b>	<u>\$ 2,564,558</u>	<u>\$ 266,272</u>
<b>Reconciliation of Cash, Cash Equivalents and Restricted Cash Reported in the Balance Sheets</b>		
Cash and cash equivalents	\$ 2,564,558	\$ 263,157
Restricted cash	<u>--</u>	<u>3,115</u>
<b>Total Cash, Cash Equivalents and Restricted Cash Shown in the Statements of Cash Flows</b>	<u>\$ 2,564,558</u>	<u>\$ 266,272</u>
 <b>Supplemental Disclosure of Noncash Activity</b>		
The Company recorded a non-cash distribution to the owner by reducing the amounts due from affiliates	<u>\$ 1,589,400</u>	<u>\$ 19,896,514</u>

*The accompanying notes are an integral part of these financial statements.*

# EDIBLE ARRANGEMENTS, LLC

## NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

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### NOTE 1 – NATURE OF BUSINESS

Edible Arrangements, LLC (the "Company"), a Delaware limited liability company, was formed on March 1, 2012. The Company is engaged in the business of marketing and franchising specialty EDIBLE ARRANGEMENTS® retail store operations featuring fresh fruit and arrangements, dipped fruit and fruit smoothies.

### NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### *BASIS OF PRESENTATION*

The Company follows accounting standards set by the Financial Accounting Standards Board ("FASB"). The FASB sets accounting principles generally accepted in the United States of America ("GAAP").

#### *CASH AND CASH EQUIVALENTS*

Holdings of highly liquid investments with maturities of three months or less are considered to be cash equivalents. At December 31, 2023 and 2022, the Company held restricted cash relating to certain marketing activities totaling \$0 and \$3,115, respectively.

#### *ALLOWANCE FOR CREDIT LOSSES*

The Company adopted ASC 326, Financial Instruments - Credit Losses, on January 1, 2023, using the modified retrospective approach. The most significant change in this standard is a shift from the incurred loss model to the expected loss model. The adoption of ASC 326 did not have a material impact on the Company's financial statements. Financial instruments held by the Company subject to the guidance in ASC 326 are accounts receivable at December 31, 2023. In accordance with ASC 326, the Company maintains an allowance for credit losses for expected uncollectible accounts receivable, which is recorded as an offset to accounts receivable on the balance sheets and as provisions for credit losses on the accompanying statement of income. The allowance for current expected credit losses is based on a review of customer accounts and considers historical credit loss information that is adjusted for current conditions and reasonable and supportable forecasts. The allowance for credit losses is reviewed regularly to assess the adequacy of the allowance. Based on the review, the Company determined the allowance for credit losses is insignificant as of December 31, 2023.



# EDIBLE ARRANGEMENTS, LLC

## NOTES TO FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

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#### NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

##### *RECLASSIFICATIONS*

The Company has made a reclassification to the 2022 statement of income totaling \$439,446 from other income to other revenue to conform to the presentation of the 2023 statement of income. Corresponding adjustments have been made to the applicable notes to the consolidated financial statements. The reclassification had no impact on the previously reported net income.

##### *PROPERTY AND EQUIPMENT*

Property and equipment are stated at cost less accumulated depreciation. Depreciation expense is calculated using the straight-line method over the estimated useful lives of the assets. Estimated useful lives for financial reporting purposes are as follows:

<u>Asset</u>	<u>Estimated Useful Lives</u>
Office equipment	5 years
Store equipment	5 – 7 years
Computer equipment and software	5 – 7 years
Furniture and fixtures	7 years

Major renewals and betterments are capitalized, while maintenance and repairs are expensed as incurred. For assets sold or otherwise disposed of, the cost and related accumulated depreciation is removed from the accounts, and any resulting gain or loss is reflected in income for the period. Depreciation charged to operations was \$787,505 and \$134,614 in 2023 and 2022, respectively.

##### *IMPAIRMENT OF LONG-LIVED ASSETS*

The Company reviews its long-lived assets for impairment using an undiscounted cash flow method whenever events or circumstances indicate the carrying value of an asset may not be recoverable. If such impairment indicators are present and amounts are not fully recoverable from projected undiscounted cash flows of the related asset, then the Company recognizes a loss to the extent that the carrying value exceeds fair value. There were no impairment losses related to long-lived assets in 2023 and 2022.

# EDIBLE ARRANGEMENTS, LLC

## NOTES TO FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

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#### NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

##### *REVENUE RECOGNITION*

Revenues for the Company are disaggregated into the following revenue streams:

##### *Training Fees*

The Company provides training services to new franchisees. The training program is typically completed once construction begins. Upon completion of the training program, the franchisee begins operations in their designated territory. Training fees are recognized upon completion of the training program. The Company recognized training fees of \$17,770 and \$31,500 in 2023 and 2022, respectively. Training fees are recorded in other revenue, on the statements of income.

##### *Franchise Fees*

The Company sells franchises which grant franchisees a right to operate within a designated territory. The fee is typically \$30,000 for an initial franchise and \$20,000 for a subsequent franchise operated by the same franchisee. These franchises are conveyed through a Franchise Agreement. The right to operate within the territory represents the Company fulfilling its performance obligation over the Franchise Agreement. Accordingly, revenues are recognized ratably over the contractual period of the Franchise Agreement, which is 10 years.

Collection of Franchise Fees typically occurs within a year of execution of the Franchise Agreement. The timing of revenue recognition may differ from the timing of invoicing to the franchisees. The Company records unbilled receivable (contract asset), which is included within accounts receivable on the balance sheets when revenue is recognized prior to invoicing. The Company records deferred franchise revenue (contract liability) on the balance sheets when revenues are recognized subsequent to cash collection for an invoice (see Note 3).

##### *Royalties from Franchisees and National Advertising Fund*

The Company receives royalty revenue in accordance with contractual arrangements with franchisees. In addition, the Company maintains a National Advertising Fund (“NAF”) to collect and administer advertising fund contributions for use in advertising and promotional programs for Company-owned and franchised stores. The NAF is a separate division of the Company and revenues collected are required to be used for marketing purposes for the Company-owned and franchised stores. The Company recognizes franchise royalties on a weekly basis, which are generally at 5% of the franchisee’s weekly revenues. The Company also recognizes advertising fund contributions on a weekly basis up to 5% of the franchisee’s weekly revenues. The advertising fund contributions are collected and maintained by NAF.

# EDIBLE ARRANGEMENTS, LLC

## NOTES TO FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

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### NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### *ADVERTISING*

The Company expenses the cost of advertising as incurred. Advertising costs charged to operations amounted to \$16,331,601 and \$20,022,907 in 2023 and 2022, respectively.

#### *CONCENTRATION OF CREDIT RISK*

The Company's financial instruments exposed to concentrations of credit risk consist primarily of cash and cash equivalents, restricted cash, and accounts receivable. The Company maintains its cash with high-quality credit institutions which, at times, may exceed federally insured limits. The Company has not experienced any losses in these accounts. Management continually monitors receivable balances and believes that its exposure to credit risk is limited. If liquidity issues arise in the global credit and capital markets, it is at least reasonably possible that these changes in risks could materially affect the amounts reported in the accompanying financial statements.

#### *INCOME TAXES*

The Company is a single-member limited liability company and is treated as a disregarded entity for tax reporting purposes. The income or losses of the Company are reported on the single member's tax return. Therefore, no provision or liability for income taxes is included in the accompanying financial statements.

Management has concluded that as a pass-through entity, there are no uncertain tax positions that would require recognition in the financial statements. If the Company were to incur an income tax liability in the future, interest on any income tax liability would be reported as interest expense and penalties on any income tax liability would be reported as income taxes. Management's conclusions regarding uncertain tax positions may be subject to review and adjustment at a later date based upon ongoing analysis of tax laws, regulations and interpretations thereof as well as other factors.

#### *USE OF ESTIMATES*

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

# EDIBLE ARRANGEMENTS, LLC

## NOTES TO FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

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### NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### *SUBSEQUENT EVENTS*

Management has evaluated subsequent events through the date of this report, May 10, 2024, which is the date the financial statements were available to be issued.

### NOTE 3 – CONTRACT ASSETS AND LIABILITIES

The following table provides details of accounts receivable, deferred costs and deferred revenues:

	December 31,		January 1, 2022
	2023	2022	
Accounts receivable			
Franchise fees	\$ 292,963	\$ --	\$ 31,427
Royalties from franchisees	--	311,152	360,034
Advertising fund contributions	--	211,587	285,955
Other receivables	57,015	434	73,063
	<u>349,978</u>	<u>523,173</u>	<u>750,479</u>
Deferred contract costs	<u>551,696</u>	<u>641,005</u>	<u>631,619</u>
Total Contract Assets	<u>\$ 901,674</u>	<u>\$ 1,164,178</u>	<u>\$ 1,382,098</u>
Contract Liabilities			
Deferred franchise revenue	<u>\$ 4,897,307</u>	<u>\$ 4,981,658</u>	<u>\$ 5,446,508</u>

# EDIBLE ARRANGEMENTS, LLC

## NOTES TO FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

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### NOTE 3 – CONTRACT ASSETS AND LIABILITIES (CONTINUED)

#### *DEFERRED CONTRACT COSTS*

The Company evaluates incremental costs required to obtain a contract which primarily consist of including commissions paid to brokers. The incremental costs of obtaining a contract with a customer are recognized as an asset and amortized over a period of the benefit, generally 10 years. During 2023 and 2022, the Company capitalized costs associated with obtaining and fulfilling contracts of approximately \$0 and \$115,000, respectively, and recorded the amortization of such capitalized costs of approximately \$89,000 and \$106,000, respectively.

#### *DEFERRED FRANCHISE REVENUE*

The Company records deferred revenue when cash payments are received in advance of the Company's satisfaction of a performance obligation. Revenues expected to be recognized in the next 12 months and more than 12 months are presented as current liabilities and long-term liabilities, respectively. During the years ended December 31, 2023 and 2022 the Company recognized \$1,435,139 and 1,341,377 of revenue, respectively, that was included in deferred revenue as of the end of the prior year.

### NOTE 4 – NATIONAL ADVERTISING FUND AND RESTRICTED CASH

The Company administers and maintains a National Advertising Fund (“NAF”) on behalf of its franchised stores to coordinate the marketing efforts of the Company. Under this arrangement, the Company collects franchise royalty fees from franchisees and Company-owned stores and uses them for advertising, promotional and public relations programs. Contributions to the NAF are based on specified percentages of gross franchisee sales.

During 2023 and 2022, the NAF collections ranged between 2.5% and 5% of gross franchisee sales. The stores owned by affiliated companies also contribute to the NAF. The Company maintains the NAF operating cash account and has sole control over advertising, marketing and public relations programs and materials.

The Company has a contractual obligation to hold all NAF contributions for the contributors' benefit and use the funds for their permitted purposes. Restricted cash represents the cash balances in the NAF accounts. In December 2022, the Company transferred cash from the NAF accounts of approximately \$4.5 million to various affiliates' bank accounts, which are deposited with high-credit quality financial institutions, to mitigate potential risks of loss from liquidity issues that may arise in the capital markets. These funds are segregated by the Company and a significant portion of these funds have been returned to the NAF accounts to pay for the advertising and promotional expenses in early 2023.

# EDIBLE ARRANGEMENTS, LLC

## NOTES TO FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

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#### NOTE 4 – NATIONAL ADVERTISING FUND AND RESTRICTED CASH (CONTINUED)

NAF contributions received from franchisees are recognized as revenue from franchisees based on a percentage of sales (see Note 2). The related expenditures are recorded as incurred as advertising and marketing expenses, and assets and liabilities of the NAF are included within the Company's financial statements as of and for the years ending December 31, 2023 and 2022.

NAF expenses are included within operating expenses in the accompanying statement of income and approximated \$15,259,000 and \$21,713,000 for the years ending December 31, 2023, and 2022, respectively.

#### NOTE 5 – RELATED PARTY TRANSACTIONS

Due from affiliates, net, represents unsecured, non-interest-bearing advances to and from the Company and entities related by common ownership during the normal course of business.

Due from (to) affiliates consists of the following at December 31:

	<u>2023</u>	<u>2022</u>
Edible Brands LLC	\$ (185,000)	\$ 619,450
Edibles, LLC	1,700,000	1,700,000
Berry Direct, LLC	8,500,000	7,000,000
Edible Connect, LLC	6,000,000	14,363,217
Dipped Fruit, LLC	--	--
Other	--	(130,996)
	<u>                    </u>	<u>                    </u>
Due from Affiliates, Net	<u>\$ 16,015,000</u>	<u>\$ 23,551,671</u>

The Company advanced funds to affiliated companies in the form of unsecured demand notes payable.

The notes are non-interest bearing and the Company doesn't expect to demand payments within the next twelve months, accordingly, these advances are reflected as a long-term asset at December 31, 2023 and 2022.

# EDIBLE ARRANGEMENTS, LLC

## NOTES TO FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

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### NOTE 5 – RELATED PARTY TRANSACTIONS (CONTINUED)

Purchases - The Company purchased computer hardware and website services from NetSolace, LLC (f/k/a NetSolace, Inc.), an affiliated company through common ownership, totaling \$2,711,986 and \$4,751,667 in 2023 and 2022, respectively.

The Company, as an affiliate of Edible Brands, LLC, is part of a contract for software licensing and services with NetSolace, LLC. The contract sets fees and allows use of certain propriety computer software, owned by NetSolace, LLC, that supports various business functions.

Services - The franchisees are provided various services by companies affiliated with the Company. These services include: software sales and support, certain equipment and supplies and maintenance of the franchise system website, equipment leasing, administering some marketing funds, website and call center activities, receiving and processing orders for dipped fruit and wholesale distribution of dry goods.

#### *LICENSING AGREEMENT*

The Company entered into a licensing agreement with Edible IP, LLC, an affiliated company by common ownership. Edible IP, LLC is the owner of the Trademark and Service Mark "Edible Arrangements" and others which are licensed to the Company, at no fee, by an agreement dated May 1, 2001 which provides the Company the right to further license the copyrights and trademarks to franchisees. The term of the agreement and the license it grants is for twenty years with three successive ten-year renewal options.

### NOTE 6 – RETIREMENT PLAN

The Company has a 401(k) defined contribution profit-sharing retirement plan with a discretionary employer contribution. The Company did not contribute to the plan in 2023. Employer elective contribution \$211,316 was made in 2022.

# EDIBLE ARRANGEMENTS, LLC

## NOTES TO FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

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#### NOTE 7 – COMMITMENTS AND CONTINGENCIES

##### *LEASE ABANDONMENT AND LEASE LIABILITIES*

The Company has a noncancelable operating lease, expiring in 2026, with an entity related by common ownership for office space which it no longer uses as operations were relocated in 2019. During 2019, the Company recorded a loss on lease abandonment totaling \$4,278,430 which consists of \$3,394,548 in estimated future lease payments less anticipated sublease income and \$883,882 relating to the net loss on the disposal of associated property, plant, and equipment. The sublease monthly payments range from \$12,660 to \$43,894 through December 31, 2026.

During 2020, management re-evaluated the likelihood of receiving certain sublease payments in future years resulting in additional loss on lease abandonment of \$1,183,397.

Prior to 2022, the Company had accrued the present value of required future lease payments less the present value of anticipated sublease payments as a lease abandonment liability. At December 31, 2021, the lease abandonment liability totaled \$2,651,073.

On January 1, 2022, the lease agreement was terminated and all obligations associated with the lease were forgiven which resulted in a gain on lease forgiveness of \$2,651,073.



# EDIBLE ARRANGEMENTS, LLC

## NOTES TO FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

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### NOTE 7 – COMMITMENTS AND CONTINGENCIES (CONTINUED)

#### *CORPORATE GUARANTEES*

In December 2013, the Company entered into a master loan agreement with People's United Bank ("PUB") to provide a guidance line of credit from which PUB will make advances in the form of five or seven year term loans to existing franchisees to fund the development of Edible Arrangements franchise locations . Term loans issued will not exceed \$5,000,000 in the aggregate and will be secured by a perfected security interest in the business assets of the franchisee. The franchisees will also provide a personal or corporate guarantee, as applicable, of the associated term loan. Edible Brands, LLC and the Company are full corporate guarantors of each term loan.

In October 2015, the Company entered into a master loan agreement with Bank of America, NA ("BOA") to provide a guidance line of credit from which BOA will make advances in the form of five or seven year term loans to existing franchisees to fund the development of Edible Arrangements franchise locations. Term loans issued will not exceed \$5,000,000 in the aggregate and will be secured by a perfected security interest in the business assets of the franchisee. The franchisees will also provide a personal or corporate guarantee, as applicable, of the associated term loan. Edible Brands, LLC and the Company are full corporate guarantors of each term loan.

The Company guarantees certain debt agreements of Edible Brands, LLC and EBA, LLC, affiliated entities. At December 31, 2022, outstanding amounts guaranteed by the Company totaled \$21,554,167. The term loans were paid in full on March 3, 2023.

#### *LEGAL PROCEEDINGS*

In the ordinary course of business, the Company is involved in various legal proceedings involving contractual and employment relationships, trademark rights, and a variety of other matters. The Company does not believe there are any pending legal proceedings that will have a material impact on the Company's financial position or results of operations.

# EDIBLE ARRANGEMENTS, LLC

## BALANCE SHEETS BY DIVISIONS

**DECEMBER 31, 2023**

	Operation Division	NAF Division	Total
<b>Assets</b>			
<b>Current Assets</b>			
Cash and cash equivalents	\$ 2,564,558	\$ --	\$ 2,564,558
Accounts receivable	349,978	--	349,978
Prepaid expenses	377,575	1,379,947	1,757,522
Deferred contract costs, current portion	106,846	--	106,846
<b>Total Current Assets</b>	<b>3,398,957</b>	<b>1,379,947</b>	<b>4,778,904</b>
<b>Property and Equipment, net</b>	<b>1,448,816</b>	<b>--</b>	<b>1,448,816</b>
<b>Other Assets</b>			
Deferred contract costs, net of current portion	444,850	--	444,850
Due from affiliates, net	16,200,000	(185,000)	16,015,000
<b>Total Other Assets</b>	<b>16,644,850</b>	<b>(185,000)</b>	<b>16,459,850</b>
<b>Total Assets</b>	<b>\$ 21,492,623</b>	<b>\$ 1,194,947</b>	<b>\$ 22,687,570</b>
 <b>Liabilities and Members' Equity</b>			
<b>Current Liabilities</b>			
Accounts payable	\$ 1,973,190	\$ --	\$ 1,973,190
Accrued expenses	1,224,028	146,063	1,370,091
Accrued national advertising expenses	--	2,852,888	2,852,888
Current portion of deferred franchise revenue	1,398,211	--	1,398,211
<b>Total Current Liabilities</b>	<b>4,595,429</b>	<b>2,998,951</b>	<b>7,594,380</b>
<b>Deferred Franchise Revenue, Net of Current Portion</b>	<b>3,499,096</b>	<b>--</b>	<b>3,499,096</b>
<b>Total Liabilities</b>	<b>8,094,525</b>	<b>2,998,951</b>	<b>11,093,476</b>
<b>Members' Equity (Deficit)</b>	<b>13,398,098</b>	<b>(1,804,004)</b>	<b>11,594,094</b>
<b>Total Liabilities and Members' Equity (Deficit)</b>	<b>\$ 21,492,623</b>	<b>\$ 1,194,947</b>	<b>\$ 22,687,570</b>

*See independent auditors' report.*

# EDIBLE ARRANGEMENTS, LLC

## STATEMENTS OF INCOME BY DIVISIONS

FOR THE YEAR ENDED DECEMBER 31, 2023

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	Operation Division	NAF Division	Total
<b>Revenues</b>			
Franchise fees	\$ 1,593,136	\$ --	\$ 1,593,136
Royalties from franchisees	22,800,348	--	22,800,348
Advertising fund contributions	--	15,663,845	15,663,845
Other revenue	826,410	--	826,410
	<hr/>	<hr/>	<hr/>
<b>Total Revenues</b>	25,219,894	15,663,845	40,883,739
<b>Operating Expenses</b>	<hr/> 24,735,352	<hr/> 15,258,466	<hr/> 39,993,818
<b>Operating Income</b>	<hr/> 484,542	<hr/> 405,379	<hr/> 889,921
<b>Other Income</b>			
General liability insurance proceeds	1,000,000	--	1,000,000
Other income	170,002	--	170,002
	<hr/>	<hr/>	<hr/>
<b>Total Other Income</b>	<hr/> 1,170,002	<hr/> --	<hr/> 1,170,002
<b>Net Income</b>	<hr/> <hr/> \$ 1,654,544	<hr/> <hr/> \$ 405,379	<hr/> <hr/> \$ 2,059,923

*See independent auditors' report.*

**EDIBLE ARRANGEMENTS, LLC**

**FINANCIAL STATEMENTS AND  
SUPPLEMENTARY INFORMATION**

**AS OF DECEMBER 31, 2022 AND 2021  
AND FOR THE YEARS ENDED  
DECEMBER 31, 2022, 2021 AND 2020**

# EDIBLE ARRANGEMENTS, LLC

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## INDEPENDENT AUDITORS' REPORT

Board of Directors  
Edible Arrangements, LLC

### Report on the Audit of the Financial Statements

#### *Opinion*

We have audited the accompanying financial statements of Edible Arrangements, LLC, which comprise the balance sheet as of December 31, 2022 and the related statement of income, changes in member's equity and cash flows for the year ended December 31, 2022, 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 the Company as of December 31, 2022, and the results of its operations and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America ("GAAP").

#### *Basis for Opinion*

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

#### *Responsibilities of Management for the Financial Statements*

Management is responsible for the preparation and fair presentation of the financial statements in accordance with GAAP; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

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

#### ***Report on Supplementary Information***

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The balance sheets by divisions as of December 31, 2022 and the statements of income by divisions for the year ended December 31, 2022 are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from, and relates directly to, the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures, in accordance with GAAS. In our opinion, the information is fairly stated in all material respects, in relation to the financial statements as a whole.

#### ***Prior Period Comparative Financial Statements***

The financial statements of Edible Arrangements, LLC as of December 31, 2021, and for the years ended December 31, 2021 and 2020 were audited by other auditors whose report dated April 20, 2022, expressed an unmodified opinion on those financial statements.

*Marcum LLP*

Hartford, CT  
June 2, 2023

# EDIBLE ARRANGEMENTS, LLC

## BALANCE SHEETS

DECEMBER 31, 2022 AND 2021

	2022	2021
<b>Assets</b>		
<b>Current Assets</b>		
Cash and cash equivalents	\$ 263,157	\$ --
Restricted cash	3,115	1,035,756
Accounts receivable	523,173	750,479
Prepaid expenses	313,476	766,093
Deferred contract costs, current portion	105,684	102,062
<b>Total Current Assets</b>	<u>1,208,605</u>	<u>2,654,390</u>
<b>Property and Equipment</b>		
Office equipment	442,899	442,899
Store equipment	26,584	26,584
Computer equipment and software	3,422,042	1,408,788
Furniture and fixtures	541,572	541,572
Construction in progress	--	132,850
	4,433,097	2,552,693
Less accumulated depreciation	<u>(2,201,818)</u>	<u>(2,167,212)</u>
<b>Property and Equipment, net</b>	<u>2,231,279</u>	<u>385,481</u>
<b>Other Assets</b>		
Deferred contract costs, net of current portion	535,321	529,557
Other	--	257,845
Due from affiliates, net	23,551,671	36,885,699
<b>Total Other Assets</b>	<u>24,086,992</u>	<u>37,673,101</u>
<b>Total Assets</b>	<u>\$ 27,526,876</u>	<u>\$ 40,712,972</u>

*The accompanying notes are an integral part of these financial statements.*



# EDIBLE ARRANGEMENTS, LLC

## BALANCE SHEETS (CONTINUED)

DECEMBER 31, 2022 AND 2021

	2022	2021
<b>Liabilities and Member's Equity</b>		
<b>Current Liabilities</b>		
Accounts payable	\$ 1,930,414	\$ 1,692,237
Accrued expenses	2,802,313	5,575,084
Accrued national advertising expenses	6,688,920	3,099,104
Current portion of deferred franchise revenue	1,435,139	1,556,696
Current portion of lease abandonment liability	--	559,237
<b>Total Current Liabilities</b>	<u>12,856,786</u>	<u>12,482,358</u>
<b>Long-Term Liabilities</b>		
Deferred franchise revenue, net of current portion	3,546,519	3,889,812
Lease abandonment liability, net of current portion	--	2,091,836
<b>Total Long-Term Liabilities</b>	<u>3,546,519</u>	<u>5,981,648</u>
<b>Total Liabilities</b>	16,403,305	18,464,006
<b>Member's Equity</b>	<u>11,123,571</u>	<u>22,248,966</u>
<b>Total Liabilities and Member's Equity</b>	<u>\$ 27,526,876</u>	<u>\$ 40,712,972</u>

*The accompanying notes are an integral part of these financial statements.*

# EDIBLE ARRANGEMENTS, LLC

## STATEMENTS OF INCOME

FOR THE YEARS ENDED DECEMBER 31, 2022, 2021 AND 2020

	2022	2021	2020
<b>Revenues</b>			
Franchise fees	\$ 1,266,633	\$ 1,594,199	\$ 2,418,163
Royalties from franchisees	27,098,556	31,386,734	28,963,395
Advertising fund contributions	<u>22,493,251</u>	<u>22,136,436</u>	<u>19,942,076</u>
<b>Total Revenues</b>	50,858,440	55,117,369	51,323,634
<b>Operating Expenses</b>	<u>45,155,034</u>	<u>43,989,290</u>	<u>35,455,316</u>
<b>Operating Income</b>	<u>5,703,406</u>	<u>11,128,079</u>	<u>15,868,318</u>
<b>Other Income (Expense)</b>			
Loss on lease abandonment	--	--	(1,183,397)
Gain on forgiveness of lease abandonment liability	2,651,073	--	--
Other income, net	<u>416,640</u>	<u>1,291,946</u>	<u>983,640</u>
<b>Total Other Income (Expense)</b>	<u>3,067,713</u>	<u>1,291,946</u>	<u>(199,757)</u>
<b>Net Income</b>	<u>\$ 8,771,119</u>	<u>\$ 12,420,025</u>	<u>\$ 15,668,561</u>

*The accompanying notes are an integral part of these financial statements.*

# EDIBLE ARRANGEMENTS, LLC

## STATEMENTS OF CHANGES IN MEMBER'S EQUITY

FOR THE YEARS ENDED DECEMBER 31, 2022, 2021 AND 2020

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<b>Balance - January 1, 2020</b>	\$ 4,360,380
Net income	15,668,561
Less distributions	<u>(10,200,000)</u>
<b>Balance - December 31, 2020</b>	9,828,941
Net income	<u>12,420,025</u>
<b>Balance - December 31, 2021</b>	22,248,966
Net income	8,771,119
Less distributions	<u>(19,896,514)</u>
<b>Balance - December 31, 2022</b>	<u><u>\$ 11,123,571</u></u>

*The accompanying notes are an integral part of these financial statements.*

# EDIBLE ARRANGEMENTS, LLC

## STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021

	2022	2021	2020
<b>Cash Flows from Operating Activities</b>			
Net income	\$ 8,771,119	\$ 12,420,025	\$ 15,668,561
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation	134,614	153,405	230,038
Provision for bad debts	301,593	785,534	576,538
Loss on disposal of property and equipment	22,806	--	147,857
Gain on forgiveness of lease abandonment liability	(2,651,073)		
Loss on lease abandonment	--	--	1,183,397
Changes in operating assets and liabilities:			
Accounts receivable	(74,287)	(755,426)	(1,048,999)
Prepaid expenses	452,617	(288,047)	906,420
Deferred franchise costs	(9,386)	(208,010)	21,809
Other assets	257,845	41,085	(183,849)
Accounts payable	238,177	106,469	377,917
Accrued expenses	(2,772,771)	1,004,708	1,686,034
Accrued national advertising fund	3,589,816	2,823,499	217,067
Deferred franchise revenue	(464,850)	(26,716)	(1,086,189)
Operating lease liability	--	(1,000,883)	(971,657)
<b>Net Cash Provided by Operating Activities</b>	<u>7,796,220</u>	<u>15,055,643</u>	<u>17,724,944</u>
<b>Cash Flows Used in Investing Activities</b>			
Purchases of property and equipment	<u>(2,003,218)</u>	<u>(134,794)</u>	<u>(127,855)</u>

*The accompanying notes are an integral part of these financial statements.*

# EDIBLE ARRANGEMENTS, LLC

## STATEMENTS OF CASH FLOWS (CONTINUED)

**FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021**

	2022	2021	2020
<b>Cash Flows from Financing Activities</b>			
Net advances to affiliates	\$ (6,562,486)	\$ (14,894,971)	\$ (8,034,824)
Distributions to members	<u>          --</u>	<u>          --</u>	<u>  (10,200,000)</u>
<b>Net Cash Used in Financing Activities</b>	<u>  (6,562,486)</u>	<u> (14,894,971)</u>	<u> (18,234,824)</u>
<b>Net Change in Cash, Cash Equivalents and Restricted Cash</b>	(769,484)	25,878	(637,735)
<b>Cash, Cash Equivalents and Restricted Cash - Beginning of year</b>	<u>  1,035,756</u>	<u>  1,009,878</u>	<u>  1,647,613</u>
<b>Cash, Cash Equivalents and Restricted Cash - End of year</b>	<u><u>  \$ 266,272</u></u>	<u><u>  \$ 1,035,756</u></u>	<u><u>  \$ 1,009,878</u></u>
<b>Reconciliation of Cash, Cash Equivalents and Restricted Cash Reported in the Balance Sheets</b>			
Cash and cash equivalents	\$ 263,157	\$ --	\$ 1,009,878
Restricted cash	<u>          3,115</u>	<u>      1,035,756</u>	<u>                  --</u>
<b>Total Cash, Cash Equivalents and Restricted Cash Shown in the Statements of Cash Flows</b>	<u><u>  \$ 266,272</u></u>	<u><u>  \$ 1,035,756</u></u>	<u><u>  \$ 1,009,878</u></u>

**Supplemental Disclosure of Noncash Activity**

During 2022, the Company recorded a non-cash distribution to the owner by reducing the amounts due from related party affiliates with common ownership in the amount of \$19,896,514.

During 2020, the Company transferred certain property, plant and equipment to related parties affiliated by common ownership approximately \$471,000 in exchange for loans receivable.

*The accompanying notes are an integral part of these financial statements.*

# EDIBLE ARRANGEMENTS, LLC

## NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021

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### NOTE 1 – NATURE OF BUSINESS

Edible Arrangements, LLC (the "Company"), a Delaware limited liability company, was formed on March 1, 2012. The Company is engaged in the business of marketing and franchising specialty EDIBLE ARRANGEMENTS® retail store operations featuring fresh fruit and arrangements, dipped fruit and fruit smoothies.

### NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### *BASIS OF PRESENTATION*

The Company follows accounting standards set by the Financial Accounting Standards Board ("FASB"). The FASB sets accounting principles generally accepted in the United States of America ("GAAP").

#### *CASH AND CASH EQUIVALENTS*

Holdings of highly liquid investments with maturities of three months or less are considered to be cash equivalents. At December 31, 2022 and 2021, the Company held restricted cash relating to certain marketing activities totaling \$3,115 and \$1,305,756, respectively.

#### *ALLOWANCE FOR DOUBTFUL ACCOUNTS*

The Company provides for the possibility of customers' inability to make required payments by recording an allowance for doubtful accounts. The Company writes off an account when it is considered to be uncollectible. The Company evaluates the collectability of its accounts receivable on an on-going basis. In some circumstances, the Company records a specific allowance against amounts due to reduce the net recognized receivables to the amount the Company reasonably believes will be collected. For all others, the Company records an allowance for doubtful accounts based on the length of time the receivables are past due, the current business environment and the Company's historical experience. At December 31, 2022 and 2021, the Company determined no allowance for doubtful accounts was necessary.

# EDIBLE ARRANGEMENTS, LLC

## NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2022, 2021 AND 2020

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### NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### *PROPERTY AND EQUIPMENT*

Property and equipment are stated at cost less accumulated depreciation. Depreciation expense is calculated using the straight-line method over the estimated useful lives of the assets. Estimated useful lives for financial reporting purposes are as follows:

<u>Asset</u>	<u>Estimated Useful Lives</u>
Office equipment	5 years
Store equipment	5 – 7 years
Computer equipment and software	5 – 7 years
Furniture and fixtures	7 years

Major renewals and betterments are capitalized, while maintenance and repairs are expensed as incurred. For assets sold or otherwise disposed of, the cost and related accumulated depreciation is removed from the accounts, and any resulting gain or loss is reflected in income for the period. Depreciation charged to operations was \$134,614, \$153,405, and \$230,038 in 2022, 2021 and 2020, respectively.

#### *IMPAIRMENT OF LONG-LIVED ASSETS*

The Company reviews its long-lived assets for impairment using an undiscounted cash flow method whenever events or circumstances indicate the carrying value of an asset may not be recoverable. If such impairment indicators are present and amounts are not fully recoverable from projected undiscounted cash flows of the related asset, then the Company recognizes a loss to the extent that the carrying value exceeds fair value. There were no impairment losses related to long-lived assets in 2022, 2021 and 2020.

#### *REVENUE RECOGNITION*

Revenues for the Company are disaggregated into the following revenue streams:

##### Training Fees

The Company provides training services to new franchisees. The training program is completed typically once construction begins. Upon completion of the training program, the franchisee begins operations in their designated territory. Training fees are recognized upon completion of the training program. The Company recognized training fees of \$31,500 and \$26,000 in 2022 and 2021, respectively. No training fees were recognized in 2020. Training fees are recorded in other income, net on the statements of income.

# EDIBLE ARRANGEMENTS, LLC

## NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2022, 2021 AND 2020

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### NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### *REVENUE RECOGNITION (CONTINUED)*

##### Franchise Fees

The Company sells franchises which grant franchisees a right to operate within a designated territory. The fee is typically \$30,000 for an initial franchise and \$20,000 for a subsequent franchise operated by the same franchisee. These franchises are conveyed through a Franchise Agreement. The right to operate within the territory represents the Company fulfilling its performance obligation over the Franchise Agreement. Accordingly, revenues are recognized ratably over the contractual period of the Franchise Agreement, which is 10 years.

Collection of Franchise Fees typically occurs within a year of execution of the Franchise Agreement. The timing of revenue recognition may differ from the timing of invoicing to the franchisees. The Company records unbilled receivable (contract asset), which is included within accounts receivable on the balance sheets when revenue is recognized prior to invoicing. The Company records deferred franchise revenue (contract liability) on the balance sheets when revenues are recognized subsequent to cash collection for an invoice (see Note 3).

##### Royalties from Franchisees and National Advertising Fund

The Company receives royalty revenue in accordance with contractual arrangements with franchisees. In addition, the Company maintains a National Advertising Fund (“NAF”) to collect and administer advertising fund contributions for use in advertising and promotional programs for Company-owned and franchised stores. The NAF is a separate division of the Company and revenues collected are required to be used for marketing purposes for the Company-owned and franchised stores.

The Company recognizes franchise royalties on a weekly basis, which are generally at 5% of the franchisee’s weekly revenues. The Company also recognizes advertising fund contributions on a weekly basis up to 5% of the franchisee’s weekly revenues. The advertising fund contributions are collected and maintained by NAF.

#### *ADVERTISING*

The Company expenses the cost of advertising as incurred. Advertising costs charged to operations amounted to \$20,022,907, \$15,469,761 and \$13,560,932 in 2022, 2021, and 2020, respectively.



# EDIBLE ARRANGEMENTS, LLC

## NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2022, 2021 AND 2020

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### NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### *CONCENTRATION OF CREDIT RISK*

The Company's financial instruments exposed to concentrations of credit risk consist primarily of cash and cash equivalents, restricted cash and accounts receivable. The Company maintains its cash with high quality credit institutions which, at times, may exceed federally insured limits. The Company has not experienced any losses in these accounts. Management continually monitors receivable balances and believes that its exposure to credit risk is limited. If liquidity issues arise in the global credit and capital markets, it is at least reasonably possible that these changes in risks could materially affect the amounts reported in the accompanying financial statements.

#### *INCOME TAXES*

The Company is organized as a limited liability company and is treated as a partnership for tax reporting purposes. As a result, members include their share of profits and losses in their respective tax returns. Therefore, no provision or liability for income taxes is included in the accompanying financial statements, except for certain states that require taxes to be paid by the Company. Various States that the Company operates in enacted a pass-through entity tax (PTET) effective for tax years beginning on or after January 1, 2021. PTET allows pass-through entities to elect to pay the State taxes due on the stockholders' share of allocable income of the Company; such election is made on an annual basis. The Company has chosen to make the election for the years ended December 31, 2022 and 2021. Tax expense related to the PTET on behalf of its stockholders amounted to \$48,121 and \$128,472, which is included in operating expenses on the statements of income for the years ended December 31, 2022 and 2021, respectively. Since the Company has determined that the change in tax status occurs within a single accounting period, no deferred income taxes have been recorded in these financial statements.

Management has concluded that as a pass-through entity, there are no uncertain tax positions that would require recognition in the financial statements. If the Company were to incur an income tax liability in the future, interest on any income tax liability would be reported as interest expense and penalties on any income tax liability would be reported as income taxes. Management's conclusions regarding uncertain tax positions may be subject to review and adjustment at a later date based upon ongoing analysis of tax laws, regulations and interpretations thereof as well as other factors.

# EDIBLE ARRANGEMENTS, LLC

## NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2022, 2021 AND 2020

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### NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### *USE OF ESTIMATES*

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

#### *SUBSEQUENT EVENTS*

Management has evaluated subsequent events through the date of this report, June 2, 2023, which is the date the financial statements were available to be issued.

### NOTE 3 – CONTRACT ASSETS AND LIABILITIES

The following table provides details of accounts receivable, deferred costs and deferred revenues:

	December 31,		
	2022	2021	2020
Accounts receivable			
Franchise fees	\$ --	\$ 31,427	\$ 4,328
Royalties from franchisees	311,152	360,034	364,693
Advertising fund contributions	211,587	285,955	232,068
Other receivables	434	73,063	179,498
	<u>523,173</u>	<u>750,479</u>	<u>780,587</u>
Deferred contract costs	<u>641,005</u>	<u>631,619</u>	<u>423,609</u>
Total Contract Assets	<u>\$ 1,164,178</u>	<u>\$ 1,382,098</u>	<u>\$ 1,204,196</u>
Contract Liabilities			
Deferred franchise revenue	<u>\$ 4,981,658</u>	<u>\$ 5,446,508</u>	<u>\$ 5,473,224</u>

# EDIBLE ARRANGEMENTS, LLC

## NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2022, 2021 AND 2020

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### NOTE 3 – CONTRACT ASSETS AND LIABILITIES (CONTINUED)

#### *DEFERRED CONTRACT COSTS*

The Company evaluates incremental costs required to obtain a contract which primarily consist of include commissions paid to brokers. Incremental costs of obtaining a contract with a customer are recognized as an asset and amortized over a period of the benefit, generally 10 years. During 2022 and 2021, the Company capitalized costs associated with obtaining and fulfilling contracts of approximately \$115,000 and \$181,000, respectively, and recorded the amortization of such capitalized costs of approximately \$106,000 and \$92,000, respectively.

#### *DEFERRED FRANCHISE REVENUE*

The Company records deferred revenue when cash payments are received in advance of the Company's satisfaction of a performance obligation. Revenues expected to be recognized in the next 12 months and more than 12 months are presented as current liabilities and long-term liabilities, respectively. During the years ended December 31, 2022, 2021, and 2020, the Company recognized \$1,341,377, 1,598,355 and \$1,842,771 of revenue, respectively, that was included in deferred revenue as of the end of the prior year.

### NOTE 4 – NATIONAL ADVERTISING FUND AND RESTRICTED CASH

The Company administers and maintains a National Advertising Fund (“NAF”) on behalf of its franchised stores to coordinate the marketing efforts of the Company. Under this arrangement, the Company collects franchise royalty fees from franchisees and Company-owned stores and uses them for advertising, promotional and public relations programs. Contributions to the NAF are based on specified percentages of gross franchisee sales.

During 2022, 2021 and 2020, the NAF collections ranged between 1% and 5% of gross franchisee sales. The stores owned by affiliated companies also contribute to the NAF. The Company maintains the NAF operating cash account and has sole control over advertising, marketing and public relations programs and materials.

The Company has a contractual obligation to hold all NAF contributions for the contributors' benefit and use the funds for their permitted purposes. Restricted cash represents the cash balances in the NAF accounts. In December 2022, the Company transferred cash in the NAF accounts of approximately \$4.5 million to various affiliates' bank accounts, which are deposited with high credit quality financial institutions, to mitigate potential risks of loss from liquidity issues that may arise in the capital markets. These funds are segregated by the Company and a significant portion of these funds have been returned to the NAF accounts to pay for the advertising and promotional expenses in early 2023.

# EDIBLE ARRANGEMENTS, LLC

## NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2022, 2021 AND 2020

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### NOTE 4 – NATIONAL ADVERTISING FUND AND RESTRICTED CASH (CONTINUED)

NAF contributions received from franchisees are being recognized as revenue from franchisees based on a percentage of sales (see Note 2). The related expenditures are recorded as incurred, and assets and liabilities of the NAF are included within the Company's financial statements as of and for the years ending December 31, 2022, 2021, and 2020.

NAF expenses are included within operating expense in the accompanying statement of income and approximated \$21,713,000, \$22,133,000 and \$16,410,000 for the years ending December 31, 2022, 2021 and 2020, respectively.

### NOTE 5 – RELATED PARTY TRANSACTIONS

Due from affiliates, net, represents unsecured, non-interest bearing advances to and from the Company and entities related by common ownership during the normal course of business.

Due from (to) affiliates consists of the following at December 31:

	2022	2021
Edible Brands, LLC	\$ 619,450	\$ 9,593,847
EBA, LLC	--	1,143,946
Edibles, LLC	1,700,000	2,495,314
Edible Global, LLC	--	76,250
EA Fulfillment, LLC	--	(74,237)
Berry Direct, LLC	7,000,000	3,740,778
Edible Connect, LLC	14,363,217	14,206,348
Edibles for Business, LLC	--	802,312
Netsolace, LLC	--	237,481
Dipped Fruit, LLC	--	460,637
Incredible Edibles, LLC	--	1,809,454
Edible IP, LLC	--	(50,061)
Farids & Co. LLC	--	231,099
Farids Realty, LLC	--	1,695,176
Other	(130,996)	517,355
Due from Affiliates, Net	<u>\$ 23,551,671</u>	<u>\$ 36,885,699</u>

The Company advanced funds to affiliated companies in the form of unsecured demand notes payable.

# EDIBLE ARRANGEMENTS, LLC

## NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2022, 2021 AND 2020

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### NOTE 5 – RELATED PARTY TRANSACTIONS (CONTINUED)

The notes are non-interest bearing and the Company doesn't expect to demand payments within the next twelve months, accordingly these demand notes are reflected as a long term asset at December 31, 2022 and 2021.

Purchases - The Company purchased computer hardware and website services from NetSolace, LLC (f/k/a NetSolace, Inc.), an affiliated company through common ownership, totaling \$4,751,667, \$2,553,124 and \$2,355,153 in 2022, 2021 and 2020, respectively.

The Company, as an affiliate of Edible Brands, LLC, is part of a contract for software licensing and services with NetSolace, LLC. The contract sets fees and allows use of certain propriety computer software, owned by NetSolace, LLC, that supports various business functions.

Services - The franchisees are provided various services by companies affiliated with the Company. These services include: software sales and support, certain equipment and supplies and maintenance of the franchise system website, equipment leasing, administering some marketing funds, website and call center activities, receiving and processing orders for dipped fruit and wholesale distribution of dry goods.

#### *LICENSING AGREEMENT*

The Company entered into a licensing agreement with Edible IP, LLC, an affiliated company by common ownership. Edible IP, LLC is the owner of the Trademark and Service Mark "Edible Arrangements" and others which are licensed to the Company, at no fee, by an agreement dated May 1, 2001 which provides the Company the right to further license the copyrights and trademarks to franchisees. The term of the agreement and the license it grants is for twenty years with three successive ten-year renewal options.

### NOTE 6 – RETIREMENT PLAN

The Company has a 401(k) defined contribution retirement plan. Employer elective contributions of \$211,316, \$214,430 and \$128,674 were made in 2022, 2021 and 2020, respectively.

# EDIBLE ARRANGEMENTS, LLC

## NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2022, 2021 AND 2020

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### NOTE 7 – COMMITMENTS AND CONTINGENCIES

#### *LEASE ABANDONMENT AND LEASE LIABILITIES*

The Company has a noncancelable operating lease, expiring in 2026, with an entity related by common ownership for office space which it no longer uses as operations were relocated in 2019. During 2019, the Company recorded a loss on lease abandonment totaling \$4,278,430 which consists of \$3,394,548 in estimated future lease payments less anticipated sublease income and \$883,882 relating to the net loss on the disposal of associated property, plant, and equipment. The sublease monthly payments range from \$12,660 to \$43,894 through December 31, 2026.

During 2020, management re-evaluated the likelihood of receiving certain sublease payments in future years resulting in additional loss on lease abandonment of \$1,183,397.

Prior to 2022, the Company had accrued the present value of required future lease payments less the present value of anticipated sublease payments as a lease abandonment liability. At December 31, 2021, the lease abandonment liability totaled \$2,651,073.

On January 1, 2022, the lease agreement was terminated and all obligations associated with the lease were forgiven which resulted in a gain on lease forgiveness of \$2,651,073.

Sublease income for the year ended December 31, 2021 was \$847,593. There was no sublease income for the years ended December 31, 2022 and 2020.

Effective January 1, 2022, the Company adopted FASB Accounting Standards Codification (ASC) 842, *Leases* (ASC 842) using the retrospective approach, which allows the Company to apply ASC 840 in the comparative periods presented in the year of adoption. Accordingly, the comparative periods and disclosures have not been restated. The cumulative effect of adoption was recorded as an adjustment to the opening balance sheet in the period of adoption.

The adoption of ASC 842 had no impact on the Company's financial position, results of operations and cash flows as the Company had no lease arrangements that were required to be accounted for under ASC 842.

# EDIBLE ARRANGEMENTS, LLC

## NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2022, 2021 AND 2020

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### NOTE 7 – COMMITMENTS AND CONTINGENCIES (CONTINUED)

#### *CORPORATE GUARANTEES*

In December 2013, the Company entered into a master loan agreement with People's United Bank ("PUB") to provide a guidance line of credit from which PUB will make advances in the form of five or seven year term loans to existing franchisees to fund the development of Edible Arrangements franchise locations. Term loans issued will not exceed \$5,000,000 in the aggregate and will be secured by a perfected security interest in the business assets of the franchisee. The franchisees will also provide a personal or corporate guarantee, as applicable, of the associated term loan. Edible Brands, LLC and the Company are full corporate guarantors of each term loan. As of December 31, 2022 and 2021 there were advances of \$0 and \$8,471, respectively, on the PUB guidance line of credit.

In October 2015, the Company entered into a master loan agreement with Bank of America, NA ("BOA") to provide a guidance line of credit from which BOA will make advances in the form of five or seven year term loans to existing franchisees to fund the development of Edible Arrangements franchise locations. Term loans issued will not exceed \$5,000,000 in the aggregate and will be secured by a perfected security interest in the business assets of the franchisee. The franchisees will also provide a personal or corporate guarantee, as applicable, of the associated term loan. Edible Brands, LLC and the Company are full corporate guarantors of each term loan. As of December 31, 2022 and 2021, there were advances of \$186,365 and \$331,314, respectively, on the BOA guidance line of credit.

The Company guarantees certain debt agreements of Edible Brands, LLC and EBA, LLC, affiliated entities. At December 31, 2022 and 2021, outstanding amounts guaranteed by the Company totaled \$21,554,167 and \$29,538,461, respectively. At December 31, 2021, these agreements require monthly payments ranging from approximately \$93,000 to \$154,000 and mature at various dates through April 1, 2026. On March 3, 2023, these debt balances were paid in full.

#### *LEGAL PROCEEDINGS*

In the ordinary course of business, the Company is involved in various legal proceedings involving contractual and employment relationships, trademark rights, and a variety of other matters. The Company does not believe there are any pending legal proceedings that will have a material impact on the Company's financial position or results of operations.

# EDIBLE ARRANGEMENTS, LLC

## BALANCE SHEETS BY DIVISIONS

DECEMBER 31, 2022

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	Operation Division	NAF Division	Total
<b>Assets</b>			
<b>Current Assets</b>			
Cash and cash equivalents	\$ 263,157	\$ --	\$ 263,157
Restricted cash	--	3,115	3,115
Accounts receivable	311,586	211,587	523,173
Prepaid expenses	307,226	6,250	313,476
Current portion of deferred franchise costs	<u>105,684</u>	<u>--</u>	<u>105,684</u>
<b>Total Current Assets</b>	<u>987,653</u>	<u>220,952</u>	<u>1,208,605</u>
<b>Property and Equipment, net</b>	<u>2,231,279</u>	<u>--</u>	<u>2,231,279</u>
<b>Other Assets</b>			
Deferred franchise costs, net of current portion	535,321	--	535,321
Due from affiliates, net	<u>19,029,444</u>	<u>4,522,227</u>	<u>23,551,671</u>
<b>Total Other Assets</b>	<u>19,564,765</u>	<u>4,522,227</u>	<u>24,086,992</u>
<b>Total Assets</b>	<u>\$ 22,783,697</u>	<u>\$ 4,743,179</u>	<u>\$ 27,526,876</u>

*See independent auditors' report.*



# EDIBLE ARRANGEMENTS, LLC

## BALANCE SHEETS BY DIVISIONS (CONTINUED)

DECEMBER 31, 2022

	Operation Division	NAF Division	Total
<b>Liabilities and Members' Equity</b>			
<b>Current Liabilities</b>			
Accounts payable	\$ 1,930,414	\$ --	\$ 1,930,414
Accrued expenses	2,538,671	263,642	2,802,313
Accrued national advertising expenses	--	6,688,920	6,688,920
Current portion of deferred franchise revenue	<u>1,435,139</u>	<u>--</u>	<u>1,435,139</u>
<b>Total Current Liabilities</b>	<u>5,904,224</u>	<u>6,952,562</u>	<u>12,856,786</u>
<b>Other Liabilities</b>			
Deferred franchise revenue, net of current portion	<u>3,546,519</u>	<u>--</u>	<u>3,546,519</u>
<b>Total Liabilities</b>	9,450,743	6,952,562	16,403,305
<b>Members' Equity (Deficit)</b>	<u>13,332,954</u>	<u>(2,209,383)</u>	<u>11,123,571</u>
<b>Total Liabilities and Members' Equity</b>	<u>\$ 22,783,697</u>	<u>\$ 4,743,179</u>	<u>\$ 27,526,876</u>

*See independent auditors' report.*

# EDIBLE ARRANGEMENTS, LLC

## STATEMENTS OF INCOME BY DIVISIONS

FOR THE YEAR ENDED DECEMBER 31, 2022

	Operation Division	NAF Division	Total
<b>Revenues</b>			
Franchise fees	\$ 1,266,633	\$ --	\$ 1,266,633
Royalties from franchisees	27,098,556	--	27,098,556
Advertising fund contributions	--	22,493,251	22,493,251
<b>Total Revenues</b>	28,365,189	22,493,251	50,858,440
<b>Operating Expenses</b>	23,442,226	21,712,808	45,155,034
<b>Operating Income</b>	4,922,963	780,443	5,703,406
<b>Other Income</b>			
Gain on lease forgiveness	2,651,073	--	2,651,073
Other income, net	416,640	--	416,640
<b>Total Other Income</b>	3,067,713	--	3,067,713
<b>Net Income</b>	\$ 7,990,676	\$ 780,443	\$ 8,771,119

*See independent auditors' report.*

**UNAUDITED FINANCIAL STATEMENTS**

## EDIBLE ARRANGEMENTS

### CONSOLIDATED BALANCE SHEET

FOR PERIOD ENDED APRIL 30, 2024

<b>Assets</b>	<b>2024</b>
<b>Current Assets</b>	
Cash and cash equivalents	1,102,914
Accounts receivable	594,263
Prepaid expenses & other current assets	7,664,603
Current portion of deferred contract costs	106,846
<b>Total Current Assets</b>	<u>9,468,625</u>
<b>Property and Equipment</b>	
Furniture and fixtures	546,614
Computer equipment and software	3,430,380
Office equipment	442,899
Store and production equipment	<u>26,584</u>
	4,446,478
Accumulated Depreciation	<u>(3,234,764)</u>
<b>Property and Equipment, net</b>	<u>1,211,714</u>
<b>Other Assets</b>	
Non-current portion of deferred contract costs	541,679
Intercompany eliminations	14,525,606
<b>Total Other Assets</b>	<u>15,067,285</u>
<b>Total Assets</b>	<u>25,747,624</u>

<b>Liabilities and Member's Equity</b>	<b>2024</b>
<b>Current Liabilities</b>	
Accounts payable	4,603,958
Accrued liabilities	1,353,225
Employee benefit plans	(0)
Deferred franchise revenue - current	1,314,205
<b>Total Current Liabilities</b>	<u>7,271,388</u>
<b>Long-Term Liabilities</b>	
Deferred revenue	377,348
Deferred franchise revenue - LT	3,524,424
Intercompany eliminations	3,232,567
<b>Total Long-Term Liabilities</b>	<u>7,134,339</u>
<b>Total Liabilities</b>	14,405,727
<b>Member's Equity</b>	11,341,897
<b>Total Liabilities and Member's Equity</b>	<u>25,747,624</u>

THESE FINANCIAL STATEMENTS WERE PREPARED WITHOUT AN AUDIT. INVESTORS IN OR SELLERS OF FRANCHISES SHOULD BE ADVISED THAT NO CERTIFIED PUBLIC ACCOUNTANT HAS AUDITED THESE FIGURES OR EXPRESSED HIS OPINION WITH REGARD TO THEIR CONTENTS OR FORM.

# EDIBLE ARRANGEMENTS

## CONSOLIDATED STATEMENT OF INCOME

FOR PERIOD ENDED APRIL 30, 2024

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### Revenues

Sale of products	\$	-
Royalties		7,815,621
Advertising fund contributions		5,306,143
Web Processing Fees		-
Franchise fees		527,159
Franchise Sales		-
Other revenue		229,439

### Total Revenues

13,878,362

### Operating Expenses

14,165,039

### Operating Income

(286,677)

### Other income and expenses

(34,481)

### Net Income

(252,197)

### Member's Equity at Beginning of Year

11,594,094

### Member's Equity at End of Year

11,341,897

**EXHIBIT D**

**OPERATIONS MANUAL TABLE OF CONTENTS**

**EDIBLE ARRANGEMENTS, LLC**

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**EXHIBIT E**

**LISTS OF EDIBLE ARRANGEMENTS® BUSINESSES / DEPARTING FRANCHISEES**



# Edible Arrangements, LLC.

## FDD Location List

Location list as of: December 31, 2023

Location Name	Location#	Address	Owner Name	Phone #
<b>Operating Locations USA (791)</b>				
<b>Alabama (5)</b>				
Hoover		871 4441 Creekside Avenue, Suite 145	Michelle Wood	+1 205-987-1700
Huntsville		759 6290 University Drive	Sabrina Cotton	+1 256-721-7999
Mobile		1739 3952-D Airport Boulevard	Uri Geva	+1 251-340-3933
Montgomery		1284 3000 Zelda Road	Michelle Wood	+1 334-270-2888
Tuscaloosa		1353 1800 McFarland Blvd East Unit 435	Long Wan Tan	+1 205-342-3200
<b>Arizona (13)</b>				
Avondale		675 1729 North Dysart Road	Tana Armstead	+1 623-536-2555
Gilbert		1297 2487 S Gilbert Road Suite 114	Ronald Aguero-Simic	+1 480-545-1899
Mesa		541 1649 S Stapley Drive	Ronald Aguero-Simic	+1 480-621-3400
Peoria		1395 8877 N 107th Ave #307	Tana Armstead	+1 623-972-0100
Phoenix		373 3122 East Indian School Road	Ronald Aguero-Simic	+1 602-522-9990
Phoenix		913 5501 N 7th Avenue	Tana Armstead	+1 602-265-8600
Phoenix		1300 4611 E Chandler Boulevard	Ronald Aguero-Simic	+1 480-940-4400
San Tan Valley		742 85 West Combs Road Suite 112	Robert Dailey	+1 480-655-6464
Scottsdale		377 4320 North Miller Road	Gabriela Zazueta	+1 480-840-0300
Surprise		474 13980 W Bell Road	Tana Armstead	+1 623-561-0345
Tempe		603 930 West Broadway	Ronald Aguero-Simic	+1 480-921-3660
Tucson		398 6425 N Oracle Road	William Piacenza	+1 520-219-3784
Tucson		532 6176 East Speedway Blvd	William Piacenza	+1 520-790-3784
<b>Arkansas (2)</b>				
Little Rock		590 11401 Financial Centre Parkway	Brieon Mitchell	+1 501-225-6161
North Little Rock		1731 4178 E. McCain Blvd	Brieon Mitchell	+1 501-227-2225
<b>California (71)</b>				
Anaheim		446 2374 W Lincoln Avenue	Chad Dollarhide	+1 714-533-0445
Bakersfield		853 1120 Calloway Drive	Dean Haskin	+1 661-588-3999
Berkeley		1182 3079 Telegraph Avenue	Ivan Alan	+1 510-649-8900
Brentwood		1291 3101-D Balfour Road	Yiyao Zhang	+1 925-516-0111
Burbank		229 2720 Burbank Blvd	Garen Karapetyan	+1 818-841-4900
Carlsbad		495 1818 Marron Rd	Ritish Mittal	+1 760-720-7227
Carson		635 531 E. Carson Street	Jose Ceja	+1 310-513-0303
Cathedral City		781 68-718 East Palm Canyon Drive	Jashan Kaushal	+1 760-883-5600
Chino		397 4036 Grand Avenue	Christina Flores	+1 909-902-0880
Claremont		1049 560 W 1st Street	Ibrahim Choudhry	+1 909-621-9700
Clovis		660 1215 North Willow Avenue	James Pallotta	+1 559-323-2030
Corona		1758 1150 El Camino Ave	Christina Flores	+1 951-444-7354
Danville		1638 9000 Crow Canyon Rd	Deepa Bhagat	+1 925-718-7233
Elk Grove		705 7119 Elk Grove Boulevard	Linda Chesnut	+1 916-691-1444
Encinitas		1023 390 N El Camino Real	Pablo Carral	+1 760-632-0222
Folsom		327 1300 East Bidwell Street	Edgardo Melgar	+1 916-983-2222
Fontana		621 11201 Sierra Avenue	Ibrahim Choudhry	+1 909-823-7848
Fremont		1176 3980 Washington Boulevard	Vinita Prasad	+1 510-490-0176
Fresno		920 6721 N. Milburn Avenue	James Pallotta	+1 559-449-1462
Fresno		930 5130 N Palm Avenue	Denila Wisler	+1 559-230-0300
Gardena		694 16127 South Western Ave.	Armenak Tumanyan	+1 310-324-2244
Glendale		155 201 North Orange Street	Xochitl Rodriguez	+1 818-291-9440
Hayward		1498 26953-I Mission Blvd	Elamin Awadalla	+1 510-582-6000
Irvine		1304 3995 Irvine Boulevard	Ibrahim Choudhry	+1 714-368-3386
La Mesa		998 8237 La Mesa Blvd	Larry Greenberg	+1 619-464-1111
Los Alamitos		703 4230 Katella Avenue	Alvaro Castillo	+1 562-598-0898
Los Angeles		217 1055 Wilshire Boulevard	Alen Gharibian	+1 213-489-0900
Los Angeles		250 8453 Beverly Blvd	Hashim Choudhry	+1 323-651-2233
Los Angeles		598 5929 Whittier Boulevard	Sally Nishimoto	+1 323-832-9551
Los Angeles		1003 3785 Wilshire Blvd, STE 107AB	Hashim Choudhry	+1 213-365-8080
Los Angeles		1427 5870 Melrose Avenue	Hashim Choudhry	+1 323-462-6666
Manhattan Beach		765 1061 Aviation Blvd	Junghee Lee	+1 310-796-5529
Manteca		1169 1452 Hulsey Way	Edward Martin	+1 209-239-5100
Modesto		1326 3020 Floyd Avenue	Edward Martin	+1 209-551-3030
Moreno Valley		1119 26150 Iris Avenue	Ibrahim Choudhry	+1 951-924-9911
Orange		294 970 N TUSTIN ST	Chad Dollarhide	+1 714-639-4100
Palmdale		780 820 W Rancho Vista Blvd Suite B	Farhana Islam	+1 661-273-6700
Pasadena		216 452 East Colorado Blvd.	Alen Gharibian	+1 626-229-7571
Petaluma		1537 401 Kenilworth Drive	Maria Lilia Sandoval	+1 707-765-5703
Pleasanton		823 3015-D Hopyard Road	Yiyao Zhang	+1 925-426-5555

Rancho Cucamonga	255 9359 #C Foothill Blvd	Ibrahim Choudhry	+1 909-989-4748
Rancho Santa Margarita	472 29881 Aventura	William Marable	+1 949-888-5588
Redwood City	1514 1685 Broadway	Yiyao Zhang	+1 650-362-3456
Riverside	348 3540 Riverside Plaza Drive	Sylvia Marquez	+1 951-684-2184
Rocklin	646 6160 Stanford Ranch Rd	Van Duong	+1 916-772-1777
Roseville	369 1490 Eureka Road	Parvinder Kang	+1 916-771-5100
Sacramento	298 2621 Marconi Ave	Arlen Soghomonians	+1 916-484-3411
Sacramento	337 414 12th Street	Arlen Soghomonians	+1 916-444-1040
Sacramento	1406 3230 Arena Blvd Suite 240	Van Duong	+1 916-285-0883
San Diego	257 4340 Genessee Avenue	Manoj Soans	+1 858-565-1555
San Diego	258 141 University Avenue	Larry Greenberg	+1 619-294-3699
San Francisco	1232 515 Bay Street	Nidhi Khurana	+1 415-346-3334
San Mateo	1178 1866 S Norfolk Street	Veeresh Kolluru	+1 650-350-1500
Santa Monica	237 1324 Wilshire Blvd.	Lourdes Vasquez	+1 310-656-0103
Saugus	129 23023 West Soledad Canyon	Farhana Islam	+1 661-253-0052
Simi Valley	381 4316 Cochran St	Tiffany De Vall-Grashel	+1 805-581-7090
Stockton	876 10318 Trinity Parkway	Edgardo Melgar	+1 209-951-7788
Stockton	879 135 North Hunter Street	Wasim Ahmed Qazi	+1 209-943-1200
Studio City	218 11702 Moorpark St	Alen Gharibian	+1 818-755-1777
Sunnyvale	1104 820 W El Camino Real	Yiyao Zhang	+1 408-730-0483
Temecula	1755 27548 Ynez Road Suite I-11	Fouad Jilani	+1 951-893-4100
Torrance	263 20034 Hawthorne Boulevard	Manjot Sandhu	+1 310-370-8828
Vacaville	1057 1661 E. Monte Vista Avenue	Edgardo Melgar	+1 707-455-7669
Van Nuys	292 7222 Van Nuys Boulevard	Tiffany De Vall-Grashel	+1 818-267-2525
Victorville	520 12180 Ridgecrest Road	Manuel Serrano	+1 760-269-0260
Visalia	401 Packwood Creek	Andrea Vieira	+1 559-734-8800
Walnut Creek	1181 1544 Newell Avenue	Yiyao Zhang	+1 925-280-9600
West Covina	470 411 North Azusa Ave	Fouad Jilani	+1 626-339-3300
Westminster	419 16480 Beach Blvd	Chad Dollarhide	+1 714-841-0065
Whittier	376 15626 Whittwood Lane	Laurence Choi	+1 562-943-8151
Yuba City	866 1641 Colusa Highway	Elisa Swanson	+1 530-751-2900
<b>Colorado (9)</b>			
Aurora	537 14301 East Cedar Avenue	Tony Lang	+1 303-400-3616
Colorado Springs	509 7541 Academy Boulevard North	Tony Lang	+1 719-268-0880
Colorado Springs	519 555 South 8th St	Eileen Lee	+1 719-633-7580
Denver	399 1685 South Colorado Boulevard	Tammie Buser	+1 303-759-3393
Fort Collins	605 706 South College Avenue	Rachel Chaplin	+1 970-224-3788
Lakewood	868 14241 West Colfax Avenue	Tammie Buser	+1 303-278-2081
Littleton	414 5066 South Wadsworth Boulevard	Tammie Buser	+1 303-904-1353
Northglenn	428 100 E. 120th Ave. Ste. G130	Tony Lang	+1 303-410-0111
Parker	503 17856 Cottonwood Drive	Tony Lang	+1 303-699-7979
<b>Connecticut (32)</b>			
Avon	421 304 West Main St.	Eric Mann	+1 860-522-2866
Branford	349 846 West Main Street	Farrukh Farid	+1 203-483-9300
Bridgeport	211 3710 Main Street Suite #3	Maria Imran	+1 203-610-9334
Bristol	280 920 Stafford Avenue	Shamoon Rashid	+1 860-583-9800
Danbury	1385 67 Newtown Road	Maria Imran	+1 203-778-8441
Derby	359 676 New Haven Ave	Sajida Farooqi	+1 203-736-0700
Enfield	230 636 Enfield Street	Zahida Farid	+1 860-745-4500
Farfield	1472 1139 Post Road	Maria Imran	+1 203-778-8441
Greenwich	1275 384 West Putnam Ave	Zahid Mir	+1 203-625-5555
Hamden	904 1920 Dixwell Avenue	Farrukh Farid	+1 203-907-0070
Hartford	624 244 Trumbull Street	Shamoon Rashid	+1 860-246-6100
Madison	251 1347 Boston Post Road	Isa Cayan	+1 203-245-3535
Manchester	207 290 Broad Street	Zahida Farid	+1 860-646-4352
Meriden	1704 893 East Main Street	Syed Zaidi	+1 203-440-4315
Middletown	1135 100 Main Street	Shamoon Rashid	+1 860-346-1353
Milford	142 205 Cherry Street	Maria Imran	+1 203-882-8300
New Britain	1136 204 Main Street	Shamoon Rashid	+1 860-223-0085
New Haven	1137 936 Chapel Street	Farrukh Farid	+1 203-752-0266
New London	1432 243 State Street	James Brown	+1 860-437-3166
North Haven	905 101 Washington Avenue	Farrukh Farid	+1 203-234-9664
Norwalk	137 456 Main Avenue	Maria Imran	+1 203-229-0895
Norwich	368 77 Salem Turnpike	Brian Hinton	+1 860-886-6999
Rocky Hill	106 38 Town Line Road	Shamoon Rashid	+1 860-563-3942
Southbury	1499 77 Main St South Unit 103	Farrukh Farid	+1 203-264-6061
Southington	1307 685 Queen St	Serena Boutot	+1 860-863-5405
Stamford	174 465 Summer Street	Zahid Mir	+1 203-921-1885
Torrington	481 709 Winsted Road	Timothy Roche	+1 860-496-1300
Waterbury	185 753 Wolcott Street	Farrukh Farid	+1 203-591-9463
West Hartford	186 282 Park Road	Eric Mann	+1 860-233-7848
West Haven	1033 39 Elm Street	Eric Balcerzak	+1 203-933-8300

Willimantic	393 18 Watson St	Richard Moore	+1 860-423-2444
Windsor	1512 1095 Kennedy Road Suite 7C	Eric Mann	+1 860-219-1943
<b>Delaware (5)</b>			
Bear	1186 1227 Quintilio Drive	Mehul Amin	+1 302-832-2472
Dover	447 140 Gateway South Blvd.	Mehul Amin	+1 302-698-4445
Lewes	616 33322-45 East Chesapeake Street	AnnMarie Hight	+1 302-644-9339
Wilmington	480 4563 Kirkwood Highway	Priya Jain	+1 302-998-2700
Wilmington	721 1714 Naamans Road	Tarek Mourad	+1 302-475-4001
<b>District of Columbia (1)</b>			
Washington	1706 1740 M Street Northwest	Satish Vemana	+1 202-955-5660
<b>Florida (64)</b>			
Apopka	1672 2424 East Semoran Boulevard	Jehad Hannoush	+1 407-634-4361
Boca Raton	182 555 North Federal Highway	Haley Clark	+1 561-362-3232
Bonita Springs	1061 26381 South Tamiami Trail Suite 100	Jennifer Palma	+1 239-676-9911
Boynton Beach	353 7460 W. Boynton Beach Blvd.	Haley Clark	+1 561-738-7000
Bradenton	1600 7333 52nd Place East	Arun Patel	+1 941-213-1355
Clearwater	1100 806 Court Street	Haley Clark	+1 727-239-7788
Clermont	335 2413 S Hwy 27	Matthew Nehmatallah	+1 352-708-3404
Coral Gables	288 239 Miracle Mile	Heriberto Santana	+1 305-444-4318
Coral Springs	332 2802 N. University Drive	Akhil Bhandare	+1 954-755-2400
Delray Beach	1601 14535-C S Military Trail	Farshad Rouhani	+1 561-270-3657
Doral	606 7930 NW 36th Street	Alejandro Murgueytio	+1 305-463-9352
Fort Lauderdale	1509 1913 N. Pine Island Road	Farshad Rouhani	+1 954-533-1384
Fort Lauderdale	1664 5975 North Federal Highway	Akhil Bhandare	+1 954-982-6614
Fort Myers	568 14261 S. Tamiami Trail	Jennifer Palma	+1 239-437-8480
Fort Walton Beach	469 230 Eglin Parkway NE	Christopher Perez	+1 850-226-4111
Gainesville	846 7050 SW Archer Road	Shashikumar Rajput	+1 352-378-2400
Hollywood	407 3725 Hollywood Boulevard	Akhil Bhandare	+1 954-966-3337
Jacksonville	412 4160 Southside Blvd	Adam Barnes	+1 904-674-0000
Jacksonville	545 6001 Argyle Forest Boulevard	Ghani Ahsan	+1 904-317-2333
Jacksonville	1702 3651 St. Johns Avenue	Jeremiah Adjei	+1 786-414-4630
Jupiter	260 901 West Indiantown Road	Tiovanni Carter	+1 561-741-3737
Lake Mary	289 3801 West Lake Mary Boulevard	Jehad Hannoush	+1 407-833-9393
Lake Worth	1609 1712 S Congress Ave	Jeanne Swierski	+1 561-771-6655
Lakeland	127 4802 South Florida Avenue	Megan Revels	+1 863-646-8440
Melbourne	1132 3096 Lake Washington Rd	Anthony Herlong	+1 321-622-8148
Miami	384 12517 South Dixie Hwy	German Pao	+1 305-238-0026
Miami	402 150 SE 2nd Avenue	Heriberto Santana	+1 305-577-6101
Miami	634 13746 N. Kendall Drive	Heriberto Santana	+1 305-386-4188
Miami	1586 9848 SW 40th St	German Pao	+1 305-677-6540
Miami	1633 18815 Southwest 117th Ave	Heriberto Santana	+1 786-675-5333
Miami Gardens	1612 3753 NW 167th Street	Alejandro Murgueytio	+1 305-417-4000
Naples	128 Promenade Plaza	Jennifer Palma	+1 239-643-7070
Naples	1615 2464 Vanderbilt Beach Road	Jennifer Palma	+1 239-294-1220
New Port Richey	1650 1336 Seven Springs Blvd	Ryan Colbert	+1 727-478-1234
North Fort Myers	799 15201 N. Cleveland Avenue	Jennifer Palma	+1 239-997-3784
North Lauderdale	556 1339 South State Road 7	Akhil Bhandare	+1 954-935-2229
Ocala	586 3101 SW 34th Avenue	Shashikumar Rajput	+1 352-861-9400
Orlando	190 4104 Millenia Boulevard	Adam Barnes	+1 407-903-0900
Orlando	1171 11776 East Colonial Drive	Jehad Hannoush	+1 407-440-4484
Palm Coast	253 1268 Palm Coast Pkwy SW	Ivone Mazurek	+1 386-446-6350
Palm Harbor	423 33139 US Highway 19 N	Christopher Richardson	+1 727-787-4100
Pembroke Pines	1659 8180 Pines Boulevard	Alejandro Murgueytio	+1 954-516-7000
Pensacola	500 4350 Bayou Boulevard	Chaz Wolfe	+1 850-473-2277
Pinellas Park	484 7060 US Highway 19 North	Haley Clark	+1 727-526-5161
Pompano Beach	415 2101 North Federal Hwy	Denise Bauer	+1 954-782-3222
Port Charlotte	817 18700 Veteran's Boulevard	Sam Patel	+1 941-255-8880
Port St. Lucie	282 7568 South US Highway 1	Tiovanni Carter	+1 772-337-5310
Riverview	1487 10273 Big Bend Road	Haley Clark	+1 813-672-6111
Saint Augustine	1523 2730 SR 16 Unit 107	Ivone Mazurek	+1 904-342-2486
Sarasota	239 1100 N Tuttle Avenue	Arun Patel	+1 941-316-9400
Southwest Ranches	1335 4811 Volunteer Road	Janice Murgueytio	+1 954-880-0700
Spring Hill	1690 2711 Forest Road	Victoria Wilson	+1 352-606-0096
St. Petersburg	259 4827 34th St South	Haley Clark	+1 727-864-9894
Stuart	717 3352 SE Federal Highway	Tiovanni Carter	+1 772-221-3343
Tallahassee	895 1660 N Monroe Street	Ghani Ahsan	+1 850-222-0623
Tampa	454 1305 S Dale Mabry	Maria Richardson	+1 813-259-0300
Tampa	475 14308-B North Dale Mabry Highway	Maria Richardson	+1 813-908-1512
The Villages	632 3509 Wedgewood Lane	Rachelle Neck	+1 352-391-1334
Valrico	297 Shoppes at Lithia	Haley Clark	+1 813-571-7200
Venice	265 1435 E. Venice Ave	Sam Patel	+1 941-488-8880
Vero Beach	965 2046C Treasure Coast Plaza	Tiovanni Carter	+1 772-569-9808

Wesley Chapel	716 3749 Bruce B Downs	Christopher Richardson	+1 813-929-7362
West Palm Beach	385 1900 Okeechobee Boulevard	Haley Clark	+1 561-478-4646
West Palm Beach	405 13873 Wellington Trace	Tiovanni Carter	+1 561-422-3232
<b>Georgia (35)</b>			
Alpharetta	303 3005 Old Alabama Road	Kaniz Momin	+1 770-667-7887
Athens	838 1040 Gaines School Road	Jill Foster	+1 706-354-3766
Atlanta	756 3830 Princeton Lakes Court	Corey Bierria	+1 404-346-1488
Atlanta	102 3655 Roswell Road Northeast	Alka Sardar	+1 404-814-0101
Atlanta	1388 1923 Peachtree Rd	Alka Sardar	+1 404-883-3998
Augusta	1022 1118 Broad Street	Kevin Cianciulli	+1 706-364-3727
Augusta	1361 2115 Windsor Spring Road	Kevin Cianciulli	+1 706-922-1611
Austell	1149 1757 East West Connector, #440	Aun Ali	+1 770-819-4040
Bethlehem	1616 655 Exchange Circle	Missba Momin	+1 770-691-3800
Buford	1622 3200 Woodward Crossing Boulevard	Ali Raza Momin	+1 770-691-3400
Columbus	994 5592 Whitesville Road	Jim Arrington	+1 706-221-5681
Covington	1565 10329 Industrial Blvd	Apoorvi Shah	+1 770-728-1890
Cumming	981 2315 Marketplace Blvd	Bhaveshkumar Rajanikant	+1 678-341-6545
Dallas	1199 8876 Dallas Acworth Highway	Ishah Momin	+1 678-501-5540
Dalton	240 1001 Market Street (Unit 24)	Felicia Mathis	+1 706-529-7255
Douglasville	1293 6880 Douglas Boulevard Suite A	Samir Momin	+1 678-391-8420
Duluth	1243 3675 Satellite Boulevard #1010	Kaniz Momin	+1 770-418-1997
Dunwoody	1217 Ashford Place	Kumud Savla	+1 770-698-8500
Evans	453 622 Mullins Colony Drive	Kevin Cianciulli	+1 706-855-1616
Fayetteville	720 1240 Highway 54 West	Ali-Nawaz Momin	+1 770-716-3550
Flowery Branch	1578 5887 Spout Springs Road D200	Nayan Sharma	+1 770-967-3828
Kennesaw	992 440 Barrett Parkway	Danesh Behdadnia	+1 770-514-7161
Lawrenceville	820 3130 Sugarloaf Parkway	Jasleen Johar	+1 678-206-2222
Lithonia	549 8200 Mall Parkway	Perry Cole	+1 770-484-8901
Loganville	985 4763 Atlanta Highway	Apoorvi Shah	+1 770-554-4682
Marietta	307 4880 Lower Roswell Road	Faisal Momin	+1 770-579-7081
Marietta	1695 3805 Dallas Highway SW County	Tanvirhasan Momin	+1 678-924-8277
McDonough	722 1776 Jonesboro Road	Kaniz Momin	+1 678-583-8875
Milton	1377 13077 Highway 9 North, Suite 610	Faraz Khan	+1 678-867-0611
Newnan	910 1053 Bullsboro Drive	Priscilla Taing	+1 678-423-0368
Riverdale	1697 7111 GA Highway 85	Ash Momin	+1 470-885-7177
Rome	1130 315 Riverside Parkway	Mohamedzaem Momin	+1 706-235-0711
Roswell	281 1125 Woodstock Road	Uzma Momin	+1 770-650-7900
Savannah	1714 10010 Abercorn Street	Megan Dahm	+1 912-925-8742
Suwanee	1334 2631 Peachtree Pkwy, Suite 535	Subhash Sunkara	+1 678-947-6088
<b>Hawaii (3)</b>			
Honolulu	682 2752 Woodlawn Dr Unit 5-116	Asim Ahmed	+1 808-988-3784
Kaneohe	715 45-480 Kaneohe Bay Drive	Joan Fang	+1 808-235-8858
Waipahu	1654 94-030 Farrington Hwy Ste 102		+1 808-427-6200
<b>Idaho (1)</b>			
Boise	497 9140 West Emerald St	Somia Farid	+1 208-433-9911
<b>Illinois (37)</b>			
Aurora	752 4400 Westbrook Drive	Ahmad Abutabanjeh	+1 630-585-9999
Bourbonnais	993 553 Main St N.W	Noreen Hansbrough	+1 815-935-9439
Bartlett	689 953 Rt 59	Margo Palusheck	+1 630-837-8149
Calumet Park	887 12844 S Ashland Ave	Allison Perkins-Caldwell	+1 708-396-3103
Champaign	805 49 East Marketview Drive	Long Wan Tan	+1 217-355-1711
Chicago	299 2362 N. Clybourn Avenue	Rasha Alkhazali	+1 773-348-5070
Chicago	322 1212 West Taylor Street	Ahmad Abutabanjeh	+1 312-421-5440
Chicago	592 1239 South Michigan Ave	Christian Washington	+1 312-566-9999
Chicago	600 1465 East Hyde Park Blvd.	Aquilla Parsons-Jones	+1 773-256-1400
Chicago	661 136 S. Dearborn	Luis Rubschlager	+1 312-263-0700
Chicago	923 4333 W. Irving Park Rd.	Anita Bustos	+1 773-777-4350
Chicago	1004 9945 S Halsted Street	Shatira Wilks	+1 773-238-3100
Chicago	1025 6656 W Archer Avenue	Ahmad Abutabanjeh	+1 773-306-1745
Collinsville	829 107 North Bluff Rd.	Emily Mortland	+1 618-344-1100
Countryside	795 90 Countryside Plaza	Shatira Wilks	+1 708-579-2451
Darien	570 7511 Lemont Road	Yasmine Hinnawi	+1 630-541-9261
Deerfield	144 1131 N. Milwaukee Avenue	Bonnie Szeto	+1 847-537-2868
Downers Grove	679 2956 Finley Road	Margo Palusheck	+1 630-932-4000
Edwardsville	865 447 S Buchanan	Emily Mortland	+1 618-656-2400
Elgin	1412 269 S. Randall Rd	Hebah Abu-Hammoud	+1 847-697-4444
Elmhurst	141 206 North York Street	Rasha Alkhazali	+1 630-516-9029
Evergreen Park	571 8732 South Kedzie Avenue	Karla Harris - Hylton	+1 708-636-4438
Geneva	757 312 Crescent Place	Ciji Calhoun-Reid	+1 630-845-0255
Gurnee	1673 4930 Grand Ave	Allison Perkins-Caldwell	+1 224-399-0799
Homewood	739 18312 Governors Highway	Noreen Hansbrough	+1 708-957-1118
Joliet	455 1504 Essington Road	Ala Abutabanjeh	+1 815-729-9399

Mokena	212 19806 S. Wolf Road STE 102	Debra Law	+1 815-469-1151
Mundelein	167 1412 South Butterfield Road	Greg Cieslak	+1 847-281-9600
Naperville	213 1807 S. Washington Street	Margo Palusheck	+1 630-420-0000
Niles	1556 7239 W Dempster Street	Chang Zheng	+1 847-470-1100
Oak Forest	1201 6076 W 159 St	Shatira Wilks	+1 708-535-1111
Oak Park	362 107 North Marion Street	Linda Ekendahl	+1 708-848-4840
Orland Park	354 9040 W. 159th Street	Sandra Hector	+1 708-873-9540
Palatine	604 778 East Dundee Rd	Hebah Abu-Hammoud	+1 847-705-6911
Rockford	499 6840 Springcreek Road	Jordan Tuminaro	+1 815-282-9799
Schaumburg	404 728 East Schaumburg Road	Margo Palusheck	+1 847-781-5000
Wheaton	244 123 East Front Street	Serena Dizonno	+1 630-462-1111
<b>Indiana (8)</b>			
Carmel	610 2001-9A E. Greyhound Pass	Retha Parsley	+1 317-570-0695
Fort Wayne	945 5980 W Jefferson Blvd	Pedro Yaruchyk	+1 260-444-4134
Greenwood	1743 997 East County Line. Suite N	Kate Vannoy	+1 317-859-3711
Indianapolis	1593 2602 East 62nd Street	Retha Parsley	+1 317-259-7794
Portage	775 6632 US Hwy 6	Laura Hunsley	+1 219-763-3600
Schererville	488 300 W Lincoln Highway	Christian Washington	+1 219-864-1400
South Bend	1349 123 S. Michigan Street	Nilita Patel	+1 574-234-8182
Valparaiso	719 501 Silhavy Road	Laura Hunsley	+1 219-531-4300
<b>Iowa (2)</b>			
Davenport	1258 4862 Utica Ridge Road	Chelsea Rupe	+1 563-359-1166
West Des Moines	314 2020 Grand Avenue	Jodi Bermel	+1 515-222-9711
<b>Kansas (2)</b>			
Lenexa	323 13246 W 87th Street	Josh Drake	+1 913-894-5511
Wichita	1571 2300 N Greenwich Rd	Chaz Wolfe	316-847-8232
<b>Kentucky (3)</b>			
Lexington	355 3101 Richmond Rd Ste 304	Amanda Hiner	+1 859-266-0866
Louisville	617 3701 Lexington Road	Amanda Hiner	+1 502-895-2377
Newport	444 104 Pavilion Parkway	Robert Priar	+1 859-781-2345
<b>Louisiana (8)</b>			
Baton Rouge	1183 5720 Corporate Boulevard	Donald Piper	+1 225-771-8393
Baton Rouge	1184 6725 Siegen Lane Ste H	Donald Piper	+1 225-400-9555
Harvey	607 1650 Gretna Blvd.	Nasim Jamhour	+1 504-367-7798
Lafayette	733 Pinhook Village	Pallavi Simon	+1 337-266-9989
Lake Charles	1703 4110 Lake St	Ronald Piper	+1 337-602-8622
Mandeville	247 4634 Highway 22	Laurie Mitchell	+1 985-792-0961
Metairie	181 3304 West Esplanade	Liza Whittle	+1 504-837-5153
Shreveport	529 3950 Youree Drive	Nasim Jamhour	+1 318-865-7188
<b>Maine (1)</b>			
South Portland	149 566 U.S. Route 1 Main Street	Christopher Carter	+1 207-775-3100
<b>Maryland (28)</b>			
Abingdon	1219 2935 Emmorton Road	Cynthia Lane	+1 410-569-0110
Annapolis	290 7 Old Solomons Island Road	Richard Gilbreath	+1 410-897-9940
Baltimore	406 100 N Charles St	Cynthia Lane	+1 410-545-0515
Baltimore	572 6352 York Road	Kathleen Setzer	+1 410-377-3051
Bel Air	637 1203 Baltimore Pike D	Harry Felling	+1 410-877-2414
Catonsville	411 734 Frederick Road	Cathleen Schneider	+1 410-788-5000
Columbia	301 6925 Oakland Mills Road	Peter Toeneboehn	+1 410-290-6630
Crofton	291 2100 Concord Boulevard	Richard Gilbreath	+1 410-451-8323
Elkridge	1352 6010 Meadowridge Center Dr, STE B	Cathleen Schneider	+1 410-799-1057
Frederick	577 2060 Yellow Springs Road	Kimberly Hallen	+1 301-698-1973
Germantown	649 12619 Wisteria Drive	Mayra Romero	+1 301-540-6666
Glen Burnie	726 801 Landmark Drive	Mary Ellen Harmel	+1 443-749-7959
Hagerstown	917 222 East Oak Ridge Drive	Karimot Dosunmu	+1 240-420-8560
Lanham	1332 9100 McHugh Drive, Suite 600	Mubeen Ishtiaq	+1 301-322-3160
Laurel	302 13600 Baltimore Avenue	Peter Toeneboehn	+1 301-497-9225
Lutherville Timonium	403 1810-G York Road	Cynthia Lane	+1 410-308-0946
Olney	695 3478 Olney Laytonsville Rd	Satish Vemana	+1 301-774-5701
Perry Hall	615 5007 Honeygo Center Drive	Cynthia Lane	+1 410-529-2322
Pikesville	1131 3765 C Old Court Road	Cynthia Lane	+1 410-602-6292
Randallstown	1322 3524 Brenbrook Drive	Kevin Setzer	+1 410-922-6860
Rockville	140 5050C Nicholson Lane	Loida Pope	+1 301-230-4544
Salisbury	575 701 E Naylor Mill Road	AnnMarie Hight	+1 410-677-0350
Severna Park	565 344 Ritchie Highway	Richard Gilbreath	+1 410-431-7030
Silver Spring	1602 915 Bonifant Street	Loida Pope	+1 301-244-9955
Suitland	710 4909 Allentown Road	Anwar Malik	+1 301-420-0053
Upper Marlboro	644 5741 Crain Highway	Myra Romero	+1 301-540-6666
Waldorf	334 3332-A Crain Highway	Wahidullah Helmandi	+1 301-638-9450
Westminster	514 536-A Jermor Lane	Kimberly Hallen	+1 410-871-9156
<b>Massachusetts (30)</b>			
Boston	678 508 Park Drive	Christopher Dellamarggio	+1 617-232-5100

Brockton	156 98 Westgate Drive	Doreen Somma	+1 508-583-6900
Canton	1321 Village Shoppes	Yves Baril	+1 781-821-5400
East Longmeadow	1146 430 N Main Street	Zahida Farid	+1 413-525-0003
Fall River	410 101 President Avenue	Jessica DaSilva	+1 508-730-3410
Framingham	272 119 Waverly Street (Rt. 135)	Arvinder Suri	+1 508-665-5999
Hanover	364 386 Columbia Road	Timothy Rowland	+1 781-829-8566
Haverhill	951 229 A Lincoln Ave	Candida Connors	+1 978-372-0202
Leomister	154 320 Central Street	Ziqa Ullah	+1 978-665-9400
Lynn	743 919 Lynnfield St	Nicholas D'Alleva	+1 781-593-1888
Marlboro	198 1025 Boston Post Road East (Rt 20)	Arvinder Suri	+1 508-485-3200
Medford	971 275 Mystic Avenue	Yves Baril	+1 781-306-0009
Milford	979 196 East Main Street	Achut Mashruwala	+1 508-473-2120
North Dartmouth	995 85B Faunce Corner Rd.	Jessica DaSilva	+1 508-858-5450
Peabody	950 637 Lowell St	Nicholas D'Alleva	+1 978-536-7010
Plymouth	254 321 Court St	James Anderson	+1 508-746-1717
Quincy	150 1360 Hancock Street	Irina Salgan	+1 617-657-0080
Revere	209 339 Squire Road	Yves Baril	+1 781-284-0577
Sandwich	1126 280 A Route 130 Unit 4	Stephen McCarthy	+1 508-888-1336
South Attleboro	983 679 Washington Street	Deborah Kostisin	+1 508-399-6111
South Boston	1715 327 West Broadway	Yves Baril	+1 617-981-6880
Taunton	231 537-1 County Street	Doreen Somma	+1 508-824-1110
Tewksbury	450 1721 Main St	Candida Connors	+1 978-851-3265
Waltham	101 350-B Moody Street	Christopher Dellamarggio	+1 781-788-0095
West Roxbury	279 77 Spring Street	Christopher Dellamarggio	+1 617-323-3901
West Springfield	210 1053 Riverdale St Suite I	Louise Beauchemin	+1 413-739-1212
Westford	161 175 Littleton Road	Ziqa Ullah	+1 978-692-3500
Wilbraham	170 2036 Boston Road	Sheeraz Azeez	+1 413-543-7575
Woburn	113 71 Cummings Park	Yves Baril	+1 781-938-1991
Worcester	153 453 Pleasant Street	Ziqa Ullah	+1 508-797-9200
<b>Michigan (23)</b>			
Ann Arbor	491 3386 Washtenaw Ave	Michelle Toal	+1 734-929-0200
Berkley	277 3766 West 12 Mile Road	Scot Page	+1 248-547-7000
Brighton	597 603 West Grand River Avenue	Barry Nabozny Jr.	+1 810-220-3200
Dearborn Heights	531 26430 Ford Road	Leslie Robinson	+1 313-730-8828
Detroit	1515 1339 Eight Mile Rd	Leslie Robinson	+1 313-564-0064
Farmington	486 32736 Grand River Avenue	Arya Khoshnegah	+1 248-888-9676
Grand Blanc	248 2215 E Hill Road	Karen Marsh	+1 810-603-3000
Grand Rapids	1059 3989 Cascade Road SE #25	Jay Purcell	+1 616-988-5715
Grandville	1489 4950 Wilson Avenue SW	Jay Purcell	+1 616-532-1300
Grosse Pointe	363 21016 Mack Avenue	Kimberly Mcclellan	+1 313-343-0400
Lake Orion	706 508 S Lapeer Rd	William Hardy	+1 248-814-9600
Lansing	1177 300 N Clippert Street, Suite 11	Matthew Toal	+1 517-324-7000
Muskegon	677 5851 South Harvey St.	Charles Muskovin	+1 231-798-6000
New Baltimore	451 35304 23 Mile Road	Kimberly Mcclellan	+1 586-716-1400
Plymouth	293 873 W. Ann Arbor Trail	Vanessa Hett	+1 734-459-9620
Portage	809 6749 S. Westnedge Avenue	Jay Purcell	+1 269-323-2300
Saginaw	539 2910 Tittabawassee RD	Leigh Ochoa	+1 989-497-1002
Shelby Township	463 50464 Schoenherr Road	Ben Muzljakovich	+1 586-532-6255
Sterling Heights	462 37852 Van Dyke Avenue	Ben Muzljakovich	+1 586-268-5221
Troy	160 52 West Square Lake Road	Leslie Robinson	+1 248-879-9300
Warren	1452 11545 12 Mile Road	Ben Muzljakovich	+1 586-578-4500
West Bloomfield	276 6167 Haggerty Road	Virginia Page	+1 248-960-5200
Woodhaven	778 19117 West Road	Travis Thomas	+1 734-671-9200
<b>Minnesota (8)</b>			
Burnsville	1303 284 East Travelers Trail	Kirsten Trancheff	+1 952-224-3640
Edina	189 5824 Lincoln Drive	Kirsten Trancheff	+1 952-935-2852
Maple Grove	745 13712 Grove Drive	Eugena Rudenko	+1 763-420-3115
Minneapolis	1314 108 South 8th St	Jad Hark	+1 612-436-1152
Plymouth	766 1400 County Road 101 North	Eugena Rudenko	+1 763-231-6650
Rochester	268 123 SW 16th Ave	Cathy Schneider	+1 507-536-7273
Roseville	626 1747 Lexington Ave N	Claudine Moon	+1 651-488-4500
Woodbury	1193 8300 Tamarack Village Suite 108	Candace Schmitt	+1 651-330-9653
<b>Mississippi (3)</b>			
Hattiesburg	1528 5064 Hardy St #40	Anthony Pope	+1 601-261-5959
Meridian	1589 1217 South Frontage Rd Suite B	James Mathis	601-282-5780
Ridgeland	372 500 Highway 51 North	Jayesh Patel	+1 601-605-6456
<b>Missouri (9)</b>			
Chesterfield	326 14819 Clayton Road	Yulia Kheyfets	+1 636-394-1100
Florissant	386 14035 New Halls Ferry Rd	Evelia Ramirez	+1 314-837-9200
Kansas City	1458 3629 Broadway Street	Chaz Wolfe	+1 816-569-6649
Maryland Heights	762 12642 Dorsett Road	Yulia Kheyfets	+1 314-576-7755
O Fallon	1072 1308 Highway K	Yulia Kheyfets	+1 636-272-7775

Saint Louis	324 2550 S. Brentwood Blvd.	Yulia Kheyfets	+1 314-962-6464
Saint Louis	1516 8151 Delmar Blvd	Aleksander Kheyfets	+1 314-849-7722
Saint Louis	845 1336 E. Batterfield	Russell Bruce	+1 417-881-9922
Saint Louis	713 3802 South Lindbergh Boulevard	Yulia Kheyfets	+1 314-849-7722
<b>Nebraska (2)</b>			
Omaha	506 1036 South 74th Plaza	Ratheesh Nair	+1 402-397-0358
Lincoln	1759 200 N 66th St	Ratheesh Nair	+1 402-500-6323
<b>Nevada (9)</b>			
Henderson	321 205 N Stephanie Street Suite C	Cameron Sorensen	+1 702-434-8334
Las Vegas	136 3754 east Flamingo Road	Funmilola Lola Rankin	+1 702-433-2491
Las Vegas	235 8174 South Las Vegas Blvd, STE 106	Cameron Sorensen	+1 702-263-1474
Las Vegas	317 8520 West Desert Inn Rd.	Funmilola Lola Rankin	+1 702-256-3331
Las Vegas	336 6454 Sky Pointe	Funmilola Lola Rankin	+1 702-453-7848
Las Vegas	1127 7260 West Lake Mead Boulevard #3	Cameron Sorensen	+1 702-243-1866
Las Vegas	1311 1291 S. Decatur Blvd. 140	Funmilola Lola Rankin	+1 702-822-4469
Las Vegas	1696 6830 South Rainbow Boulevard	Basil Daniel	+1 702-820-5050
Reno	1301 5055 South McCarran Boulevard	Cameron Sorensen	+1 775-825-3103
<b>New Hampshire (2)</b>			
Nashua	1626 300 Main Street	Kyle Dumont	603-886-2790
Salem	1012 236 N. Broadway	Arvinder Suri	+1 603-894-0288
<b>New Jersey (52)</b>			
Bayonne	122 488 Broadway	Mohamed Elmahdy	+1 201-339-5666
Brick	116 1799 Route 88	Mounir Yacoub	+1 732-840-9525
Bridgewater	1319 1331 Prince Rodgers Ave	Adriana Korngold	+1 908-210-9100
Budd Lake	163 375 Route 46	Bhavind Papaiya	+1 973-347-7666
Caldwell	814 349 Bloomfield Ave	Ravi Patel	+1 973-226-2662
Cherry Hill	269 1871 Route 70 East	Michael Kelleher	+1 856-424-5200
Clementon	528 1259 Blackwood Clementon Road	Michael Kelleher	+1 856-627-0791
Clifton	104 890 Van Houten Avenue	Mohammad Najib	+1 973-249-0220
Cranford	1324 2 South Avenue West	Sulbha Joshi	+1 908-967-6317
Delran	728 1330B Fairview Blvd	Taamika Johnson	+1 856-764-2020
Denville	111 276 East Main Street	Bhavind Papaiya	+1 973-664-1114
East Windsor	1203 761 Route 33 West	Megan Francis	+1 609-490-9860
Edison	629 1199 Amboy Avenue	Natalie Vasquez	+1 732-632-9200
Elizabeth	753 134 Elmora Ave	Mohammad Najib	+1 908-558-1010
Flemington	271 20 Commerce Street Ste 2012	Sangeeta Raje	+1 908-788-7500
Franklin	1021 70B Route 23	Bhavind Papaiya	+1 973-827-8464
Freehold	1180 3338 Route 9 Unit 10	Trishna Desai	+1 732-677-3300
Hackensack	103 350 Main Street	Ahmad Abrar Koshul	+1 201-342-0440
Haddonfield	1634 114 Kings Highway East	Michael Kelleher	+1 856-229-9670
Hamilton	219 731 Route 33	Sangeeta Raje	+1 609-890-2700
Hillsborough	1737 381 Triangle Rd. Building F	John Tanzola	+1 908-633-2900
Hoboken	927 84 Washington Street	Mohamed Elmahdy	+1 201-420-0500
Jersey City	892 261 Grand Street	Mohamed Elmahdy	+1 201-763-5800
Jersey City	1642 747 Newark Avenue	Mohamed Elmahdy	+1 201-918-5650
Livingston	133 523 South Livingston Ave	Mohammad Najib	+1 973-992-1985
Mahwah	1631 15 Franklin Turnpike	David Mikadze	+1 201-429-3233
Manahawkin	700 100 McKinley Avenue	Paul Marchal	+1 609-597-0019
Manalapan	120 357 Route 9 South	Neel Jani	+1 732-972-1976
Middlesex	132 570-A Union Ave	David Allen	+1 732-926-1900
Milltown	121 220 Ryders Lane	Ankit Patel	+1 732-249-1888
Montclair	1281 444 Bloomfield Avenue	Ravi Patel	+1 973-337-5567
Morristown	1725 4 Wilmot St Unit 4A	Lina Abuhamda	+1 973-866-5191
Mount Holly	583 516 High Street	Taamika Johnson	+1 609-518-5353
Mount Laurel	1239 Village at Cambridge Crossing	Taamika Johnson	+1 856-234-6700
Newark	221 1152 Raymond Boulevard	Mohammad Najib	+1 973-792-1700
Nutley	107 219 Franklin Avenue	Khaled Omar	+1 973-667-0700
Ocean	125 879 West Park Avenue	Neel Jani	+1 732-695-9399
Parsippany	1607 745 US Hwy 46	Mohammad Najib	973-721-6400
Pompton Lakes	109 280 Wanaque Avenue	Ahmad Abrar Koshul	+1 973-839-3555
Princeton	238 136 Stanhope Street	Sangeeta Raje	+1 609-520-6500
Red Bank	246 29 West Front Street	Sulbha Joshi	+1 732-219-7600
Scotch Plains	668 2520 Route 22	Mohammad Najib	+1 908-789-0026
Sewell	252 421 Hurffville-Crosskeys Road	Daniel Storey	+1 856-589-8301
Somers Point	295 39 Bethel Road	Bhavika Patel	+1 609-926-3353
Somerset	1663 1075 Easton Avenue	Kavita Patel	+1 732-435-0016
Summit	1242 84 Summit Ave	Mohammad Najib	+1 908-273-0100
Toms River	315 1248 Rte 166	Mounir Yacoub	+1 732-244-2011
Union	105 484 Chestnut Street	Alpesh Patel	+1 908-624-0999
Vineland	418 3600 East Landis Avenue, Unit 9	Paul Marchal	+1 856-563-0050
West New York	374 6610 Bergenline Avenue	Khaled Omar	+1 201-868-5550
Westwood	1598 329 Broadway	Ahmad Abrar Koshul	+1 201-831-1300

Woodbridge	118 462 Rahway Avenue	Varsha Rao	+1 732-326-0200
<b>New Mexico (2)</b>			
Albuquerque	352 4770 Montgomery Boulevard NE	Wahidullah Helmandi	+1 505-888-0100
Santa Fe	932 825 Cerrillos Road	Leonard Ortega	+1 505-989-9770
<b>New York (79)</b>			
Albany	164 155 Wolf Road	Usama Chaudhry	+1 518-438-5858
Astoria	686 30-47 Steinway Street	Mohammad Hinnawi	+1 718-943-6775
Babylon	316 80A West Main Street	Farhan Ahmad	+1 631-893-9300
Bayport	283 911 Montauk Highway	Abbas Dastgir	+1 631-472-0111
Bellmore	191 1505 Bellmore Avenue	David Blinn	+1 516-221-5656
Bronx	489 3530 Johnson Avenue	Mohammad Hinnawi	+1 718-708-6333
Bronx	513 2021 Williamsbridge Road	Jose Vasquez	+1 718-823-4646
Bronx	1656 880 East 163rd Street	Mohammad Hinnawi	+1 718-208-4333
Brooklyn	162 1446 86th Street	Felix Schwartz	+1 718-837-3784
Brooklyn	788 1557 Ralph Ave	Syed Abbas	+1 718-451-3344
Brooklyn	794 350 Broadway	Mohammad Hinnawi	+1 718-389-0700
Brooklyn	807 557 4th Avenue	Fatima Raza	+1 929-397-0353
Brooklyn	1140 5114 Avenue N	Felix Schwartz	+1 347-587-7500
Brooklyn	1346 224 Livingston Street	Felix Schwartz	+1 718-522-6300
Brooklyn	1461 993 Flatbush Avenue	Felix Schwartz	+1 718-484-3800
Camillus	576 5384 West Genesee Street	David Flickinger	+1 315-484-4438
Central Islip	468 28 North Research Place	Deniz Sezer	+1 631-348-6701
Clay	864 4132 State Route 31	Danielle Sexton	+1 315-622-4438
Clifton Park	330 54 The Crossing Boulevard	Thameem Ismail	+1 518-373-4280
Commack	184 231 Commack Road	Janine Inerro	+1 631-462-4624
Deer Park	1426 520 Commack Rd	Waqar Ahmad	+1 631-745-0000
Depew	1065 4779 Transit Road	Larry Gephardt	+1 716-656-8530
Eastchester	356 26 Mill Road	Marco Ascolillo	+1 914-202-9123
Elmhurst	1362 84-48 Grand Avenue	Gurpaul Ahluwalia	+1 718-440-3100
Forest Hills	245 104 - 16 Metropolitan Avenue	Kimberly Tromba	+1 718-575-4124
Franklin Square	1488 681 Franklin Avenue	Helena Chin	+1 516-599-2787
Freeport	867 6A Brooklyn Avenue	Gokce Bozkurt	+1 516-546-6000
Fresh Meadows	1520 69-21 164 Street Suite 4	Sharon Etwaroo	+1 718-380-2300
Garden City	275 112 Seventh Street	Helena Chin	+1 516-747-4999
Glen Cove	1605 64 School Street	Tahira Yasmeen	+1 516-582-4000
Glen Oaks	1393 253-22 Union Turnpike	Gokce Bozkurt	+1 718-343-3063
Greece	557 2833 Ridge Road West	Nilita Patel	+1 585-227-2510
Hicksville	1373 1040 South Broadway	Syed Z. Mazhar	+1 516-433-7848
Hopewell Junction	1666 796 Route 82	Lesley Ann Murray	+1 845-447-3373
Huntington	1526 326 Main Street	Nadeem Khan	+1 631-824-6565
Jamaica	931 82-71 Parsons Boulevard	Christine Chin	+1 718-380-7888
Kingston	1674 220 Plaza Road	Marco Ascolillo	+1 845-663-1010
Lake Ronkonkoma	1657 601 Portion Road	Syed Z. Mazhar	+1 631-676-6500
Mamaroneck	417 621 East Boston Post Rd	Zahid Mir	+1 914-777-2006
Massapequa Park	942 1040a Park Blvd	Masood Weish	+1 516-804-2141
Medford	420 3251 Horseblock Rd	Shahab Cheema	+1 631-730-7772
Melville	227 522 Walt Whitman Road	Mubashar Dastgir	+1 631-271-5092
Middletown	735 125 Dolson Ave	Judy Annunziata	+1 845-342-1100
Mount Kisco	158 217 East Main Street	Mohammad Najib	+1 914-244-1176
New Hartford	1320 8637 Clinton Street	Danielle Sexton	+1 315-736-8488
New York	200 616 Amsterdam Avenue	Mohammad Hinnawi	+1 212-665-8800
New York	1418 221 West 14th St	Mohammad Hinnawi	+1 646-540-3980
New York	1527 201 E. 33rd Street	Mohammad Hinnawi	+1 646-490-4560
New York	1597 200 Dyckman St	Baqar Shah	212-316-4300
New York City	602 1788 3rd Avenue	Mohammad Hinnawi	+1 212-828-5858
New York City	630 4 East 125th ST	Mohammad Hinnawi	+1 212-831-6041
Newburgh	585 606 Broadway	Judy Annunziata	+1 845-565-1144
Orchard Park	525 6177 West Quaker Street	Jeanne Swierski	+1 716-667-2100
Pearl River	124 46A East Central Avenue	Ahmad Abrar Koshul	+1 845-735-3333
Plainview	197 428 Woodbury Road	John Gerace	+1 516-933-0011
Poughkeepsie	215 2585 South Rd	Kamaran Shafaq	+1 845-463-3900
Rochester	195 3011 Monroe Avenue	Nilita Patel	+1 585-271-5470
Rochester	1312 620 Jefferson Road	Nilita Patel	+1 585-292-0701
Rockville Centre	264 9 North Village Avenue	Syed Hassan	+1 516-764-4141
Rocky Point	1077 346 Route 25A	Mokarram Ali	+1 631-744-8888
Rome	858 815 Blackriver Blvd	Danielle Sexton	+1 315-337-8488
Saratoga Springs	1254 6 Lowe's Drive, Suite 2	Thameem Ismail	+1 518-253-7223
Sleepy Hollow	1691 95 Beekman Avenue	Dominick Difilippo	+1 914-594-5111
Smithtown	1441 81 East Main Street	Hacer Ak	+1 631-979-8000
Springfield Gardens	707 219-25 N Conduit Ave	Mohammad Choudhry	+1 718-528-3344
Staten Island	146 1652 Richmond Avenue	Joseph Tobias	+1 718-370-7302
Staten Island	270 655 Rossville Ave	Wei Wang	+1 718-227-4422



Staten Island	1139 1854 Hylan Blvd	Xing Li	+1 718-667-3636
Stony Brook	389 2194D Nesconset Highway	Nadeem Khan	+1 631-675-0727
Syracuse	860 3230 Erie Boulevard East	David Flickinger	+1 315-449-4438
Vestal	815 140 Vestal Parkway East	Assef Jamhour	+1 607-484-0287
Watertown	1064 21856 Towne Center Drive	Sandra Hill	+1 315-788-4201
Webster	558 975 Ridge Road	Nilita Patel	+1 585-872-0590
Westhampton Beach	396 82 Old Riverhead Road	Atif Shah	+1 631-288-5800
White Plains	1337 288 Mamaroneck Avenue	Hedy Montes-Parra	+1 914-949-7400
Whitestone	1652 1252B Clintonville St	Weeda Ulomi	+1 718-463-7848
Williamsville	168 194 Plaza Drive	Larry Gephardt	+1 716-688-6404
Woodmere	313 958 Broadway	Waqar Ahmad	+1 516-374-8983
Yonkers	818 20 Warburton Avenue	Mohammad Hinnawi	+1 914-375-3001
<b>North Carolina (24)</b>			
Asheville	296 5 Regent Park Boulevard	Jason Breland	+1 828-252-1550
Burlington	1229 2475 South Church Street	George Stepanian	+1 336-499-7779
Cary	365 207 Crossroads Blvd.	George Stepanian	+1 919-851-7065
Charlotte	192 12239 North Community House Road	Sharon MacIsaac	+1 704-542-6101
Charlotte	502 809 South Kings Dr.	Eugene Campbell	+1 704-377-8588
Charlotte	643 6832 Matthews Mint Hill Rd, STE 301	Pamela Burks-Grant	+1 704-545-5757
Charlotte	977 10917 Black Dog Lane	Judith Houghton	+1 704-392-6750
Charlotte	1477 8511 Davis Lake Pkwy Suite C7	Eugene Campbell	+1 980-237-6590
Concord	522 5345 Vining Street	Mahboob Ata Khawaja	+1 704-784-8401
Durham	443 5129 NC Highway 55	George Stepanian	+1 919-338-2115
Fayetteville	701 1800 Skibo Road	Diane Dawkins	+1 910-480-4862
Greensboro	151 4719 West Gate City Blvd	Eugene Campbell	+1 336-297-0108
Greensboro	1588 4008-B Battleground Ave N	Eugene Campbell	+1 336-306-8134
Greenville	266 642 East Arlington Boulevard	Michelle Brayton Finizio	+1 252-756-1075
Hickory	1722 883 Highland Avenue SE	Frances Paradine	+1 828-578-6464
Jacksonville	688 2599 Henderson Drive	John Semanderes	+1 910-478-4980
Monroe	1261 3306-A Highway 74 West	Mahboob Ata Khawaja	+1 704-635-8761
Mooresville	261 638 River Highway	Terence Arrington	+1 704-658-0006
Raleigh	390 6675 Falls of Neuse Road	George Stepanian	+1 919-845-7405
Raleigh	1159 1028 Oberlin Road, Suite 238	George Stepanian	+1 919-521-8991
Spring Lake	1096 251 Skyland Plaza	Laverna Alexander	+1 910-436-2000
Wake Forest	391 944 Gateway Commons Circle	George Stepanian	+1 919-374-2960
Wilmington	242 1319 Military Cutoff Rd	Laura Ruginis	+1 910-256-3130
Winston-Salem	1150 3222 Silas Creek Parkway	Eugene Campbell	+1 336-768-2034
<b>Ohio (18)</b>			
Avon	1030 35840 Chester Road	Matt Adkins	+1 440-937-1506
Beavercreek	840 2495 Commons Blvd	Patrick Griffin	+1 937-912-0102
Canton	877 5110 Whipple Avenue Northwest	Meron Berhe	+1 330-494-7800
Cincinnati	611 8014 Hosbrook Rd	Bradley Ward	+1 513-745-9465
Cincinnati	1647 3441 Edwards Road	Robert Priar	+1 513-321-9555
Columbus	595 8743 Lyra Drive	Tiffany North	+1 614-880-9622
Columbus	658 1415 Grandview Avenue	Tiffany North	+1 614-486-5560
Dayton	718 2665 South Dixie Dr	Chad Diggs	+1 937-449-0999
Fairlawn	851 620 Ridgewood Crossing, Unit F	Meron Berhe	+1 330-835-1039
Gahanna	1014 330-B S Hamilton Road	Linda Piercy	+1 614-532-6125
Lakewood	108 14239 Detroit Avenue	Matt Adkins	+1 216-228-7007
Lyndhurst	134 5126 Mayfield Rd.	Matt Adkins	+1 440-605-9200
Mentor	131 8644 Mentor Avenue	Cynthia Ruggiero	+1 440-255-6824
Perrysburg	1459 26567 North Dixie Highway	Bryan Demko	+1 419-931-1020
Stow	1347 3059 Graham Rd	Meron Berhe	+1 330-686-4440
Twinsburg	117 9224 Darrow Road	Matt Adkins	+1 330-405-6102
West Chester	964 7665 Cox Lane	Sekhar Kota	+1 513-563-7848
Youngstown	640 18 Boardman Poland Road	Meron Berhe	+1 330-965-8757
<b>Oklahoma (5)</b>			
Lawton	1259 2413 NW 67th Street, Suite E	James B. Parker	+1 580-531-5120
Midwest City	1694 7199 SE 29th St	Haley Clark	+1 405-610-5800
Oklahoma City	1486 11611 South Western Avenue	Haley Clark	+1 405-735-8666
Oklahoma City	1591 6924 NW Expressway	Haley Clark	405-728-0303
Tulsa	1262 3311 South Peoria Ave	Jeffrey Sanders	+1 918-728-3102
<b>Oregon (2)</b>			
Eugene	831 1011 Valley River Way	Ronald Mercurio	+1 541-686-3080
Portland	1760 2710 NE Glisan St	Funmilola Lola Rankin	+1 503-236-3395
<b>Pennsylvania (41)</b>			
Allentown	642 6379 Hamilton Boulevard	Maulik Bhagat	+1 610-398-2100
Bensalem	1271 1861 Street Road	Khilan Patel	+1 215-244-4441
Bethlehem	320 11 E. 3rd St	Maulik Bhagat	+1 610-866-6162
Blue Bell	882 730 Dekalb Pike	Nilita Patel	+1 610-279-3500
Camp Hill	947 3401 Hartzdale Drive	Kinjalkumar Patel	+1 717-730-6240
Canonsburg	1172 Waterdam Centre/McMurray	Kevin Setzer	+1 724-941-1200

Cranberry Township	665 20120 Route 19	Nazgul Bissembayeva	+1 724-779-2022
Dickson City	797 538 Scranton Carbondale Hwy (Rte 6)	Mokhtar Elsayed	+1 570-983-0621
Doylestown	1584 4365 W. Swamp Rd	William Stone	267-452-1110
Easton	702 155 Northampton Street	Maulik Bhagat	+1 610-330-0883
Elkins Park	366 8120 Old York Road	Nilita Patel	+1 215-885-4500
Erie	1399 4049 Buffalo Road	Thomas Kaye	+1 814-898-9900
Exton	1257 412 W. Lincoln Hwy	Priya Jain	+1 610-363-7003
Feasterville Trevose	305 252B East Street Road	Sharon Lindley	+1 215-357-3371
Franklin	1555 1259 Liberty Street	Deborah Ronchi	+1 814-437-1401
Hanover	1662 490 Eisenhower Drive	Mary Beers	+1 717-969-8443
Harrisburg	578 712 Colonial Road,	Jayson Bailey	+1 717-671-0450
Lancaster	1478 103 Rohrerstown Road	Lita Heckler	+1 717-390-3063
Lansdale	835 2333 Welsh Road	Rhonda Foy	+1 215-362-3004
Media	388 300 W State St	Tarek Mourad	+1 610-565-2832
Morrisville	422 54B East Bridge Street	Khilan Patel	+1 215-736-8525
Murrysville	1052 4883 William Penn Highway	Dawn Shaffer	+1 724-327-1111
Newtown Square	1563 206 South Newtown Street Rd	Priya Jain	610-353-8844
Philadelphia	300 120 South 12th Street	Shreya Gandhi	+1 215-925-2005
Philadelphia	553 6153 Ridge Avenue	Priyank Biscuitwala	+1 215-483-5727
Philadelphia	1173 2371 Cottman Avenue	Shikha Sood	+1 215-333-4001
Philadelphia	1272 3845 Aramingo Avenue	Shikha Sood	+1 215-533-5170
Philadelphia	1421 2715 South Front Street	Shreya Gandhi	+1 215-755-3500
Philadelphia	1423 3862 Lancaster Ave	Shreya Gandhi	+1 215-387-0600
Pittsburgh	196 250 Mt. Lebanon Boulevard	Nazgul Bissembayeva	+1 412-563-2425
Pittsburgh	1351 3050 McIntyre Square Drive	Nazgul Bissembayeva	+1 412-369-8008
Pittsburgh	1668 1001 Liberty Avenue	Nazgul Bissembayeva	+1 412-567-1088
Reading	1269 3564 Penn Avenue	Michael Savino	+1 610-670-7600
Royersford	813 329 10th Ave. Suite # 125	Michael Savino	+1 610-948-8600
Springfield	1400 905 West Sproul Road	Tarek Mourad	+1 484-452-6304
State College	944 337 Benner Pike	Daniel Pike	+1 814-237-2323
Stroudsburg	228 923 North Ninth Street	Matthew Moore	+1 570-424-0999
Warrington	331 1380 Easton Road	Khilan Patel	+1 215-343-9010
Willow Grove	1308 101 E Moreland Road	Peter Keith Cotton	+1 215-315-3801
Wynnewood	645 1415 City Avenue	Priyank Biscuitwala	+1 610-896-3595
York	1062 2300 East Market Street	Kinjalkumar Patel	+1 717-755-8200
<b>Puerto Rico (2)</b>			
Bayamon	935 Ave. Main Bloque 54	Cordelia Nazario Clarke	+1 787-993-1502
San Juan	982 1790 Ave. Lomas Verdes	Heriberto Hernandez	+1 787-756-2323
<b>Rhode Island (4)</b>			
Providence	115 755 Westminster Street	Deborah Kostisin	+1 401-331-2390
Warren	199 8 Turner Street	Theodore Kostisin	+1 401-289-2089
Warwick	188 1800 Post Road Airport Plaza	Stefanie Oliveira	+1 401-921-3494
Woonsocket	243 34 Fournier Street	Arvinder Suri	+1 401-767-2077
<b>South Carolina (14)</b>			
Bluffton	493 103 Towne Drive	Dipak Patel	+1 843-706-7374
Charleston	1000 1672 Old Towne Road	Muhammad Burney	+1 843-769-2288
Columbia	485 7001 St. Andrews Road	Bivens Leaphart	+1 803-781-2161
Columbia	782 605 Harden St	Bivens Leaphart	+1 803-251-2544
Columbia	1011 110-5 Forum Drive	Herman Rich	+1 803-736-6401
Florence	690 130 North Dargan Street	Dharatiben Patel	+1 843-679-2007
Greenville	566 620-B Congaree Road	Bivens Leaphart	+1 864-286-9919
Lexington	1529 1788 South Lake Drive Suite #170	Bivens Leaphart	+1 803-996-0156
Murrells Inlet	1443 4440 Highway 17, Ste A3	Richard North	+1 843-299-1071
Myrtle Beach	284 7827 North Kings Highway	Sharon McIntyre	+1 843-497-2916
Spartanburg	1480 1000 N. Pine Street Unit 41	Bivens Leaphart	+1 864-573-0070
Summerville	318 123 South Main Street	Muhammad Burney	+1 843-695-1500
Sumter	874 105 East Wesmark Boulevard	Dipak Patel	+1 803-774-4438
Tega Cay	1414 2435 West Highway 160	Sharon MacIsaac	+1 803-548-8200
<b>Tennessee (12)</b>			
Brentwood	873 782 Old Hickory Blvd Ste 106	Ayodeji Rotimi	+1 615-309-1781
Chattanooga	226 4513 Brainerd Road	Melinda Bone	+1 423-622-8884
Clarksville	1263 Hampton Plaza Shopping Center	Ayodeji Rotimi	+1 931-645-2020
Germantown	633 6641 Poplar Avenue	Alyce Campbell	+1 901-624-1200
Hendersonville	894 1022 A Glenbrook Way	Ayodeji Rotimi	+1 615-264-0004
Johnson City	1294 3018 Peoples Street, Suite 105	Shauna Read	+1 423-434-0770
Knoxville	204 9307D Kingston Pike	Bryan Butler	+1 865-691-2800
Memphis	551 8385 U.S. Highway 64	Alyce Campbell	+1 901-382-9858
Memphis	830 1430 Union Avenue	Monroe Brooks Jr.	+1 901-278-0900
Murfreesboro	1712 1500 Medical Center Parkway	Mohammed Momin	+1 615-283-7686
Nashville	1264 8127 Sawyer Brown Road	Ayodeji Rotimi	+1 615-298-9893
Nashville	1525 2416 Elliston Place	Ayodeji Rotimi	+1 615-327-0009
<b>Texas (71)</b>			

Amarillo	1026 121 Westgate Parkway	Shelly Thompson	+1 806-322-2266
Arlington	811 4520 Matlock Road	Tariq Ahmed	+1 817-419-9800
Arlington	978 1120 N. Fielder Road	Muhammad Burney	+1 817-804-1106
Austin	310 507 Pressler St.	Haley Clark	+1 512-480-5999
Austin	311 10225 Research Blvd	Haley Clark	+1 512-343-1110
Austin	1705 107 Ranch Road 620 South	Marco Rocha	+1 512-937-1744
Beaumont	751 229 S. Dowlen. Suite 12B	Zulema Escobedo	+1 409-721-9933
Bedford	1504 2101 Harwood Road Suite 127	Tariq Ahmed	+1 817-283-7848
Brownsville	1310 4345 North Expressway 77/83	Maurice Welton	+1 956-350-5200
Cedar Park	1382 700 E Whitestone Blvd	Sunil Patel	+1 512-456-7020
College Station	518 900 Harvey Road	Haley Clark	+1 979-268-2300
Corpus Christi	1153 5702 South Staples Suite A-4	Leslie Springer	+1 361-992-3232
Cypress	1630 15055 Fairfield Meadows Drive	Adesola Adegoke	+1 832-653-9400
Dallas	165 14446 Midway	Tarana Haque	+1 214-593-7848
Dallas	339 10455 N. Central Expy	Tariq Ahmed	+1 214-361-8600
Dallas	1071 407 N Lamar Street Suite 180	Ali Arsalan	+1 214-749-1515
Dallas	1579 18101 Preston Road	Vernell Balton	972-250-2120
Denton	1535 511 S Locust St	Asim Ahmed	+1 940-382-5700
Dickinson	1420 3600 Gulf Freeway, Ste B	Aubrey Elias	+1 281-337-1970
El Paso	907 1491 N. Lee Trevino	Haley Clark	+1 915-591-1500
El Paso	1060 7040 North Mesa Suite E	Haley Clark	+1 915-584-5205
Flower Mound	1105 3634 Long Prairie Rd, Ste 116	Jeffrey Sanders	+1 972-539-7800
Fort Worth	555 4825 Overton Ridge Boulevard	Ali Arsalan	+1 817-263-6800
Fort Worth	636 2600 W 7th Street	Ali Arsalan	+1 817-882-8029
Fort Worth	1168 2301 Porter Creek Dr	Ali Arsalan	+1 817-232-8114
Frisco	533 4760 Preston Road	Haley Clark	+1 469-731-4488
Grapevine	490 124 N Main Street	Ali Arsalan	+1 817-329-5900
Harker Heights	683 300 West Central Texas Expressway	Tariq Ahmed	+1 254-628-2800
Houston	177 2418 Rice Boulevard	Juan Carlos Toffano	+1 713-529-8400
Houston	179 12020 Farm to Market 1960 Rd West	Carmen Leon	+1 281-955-9899
Houston	711 225 Main Street	Nabila Nusrat	+1 713-247-0700
Houston	1196 8401 Westheimer Road Suite #170	Haley Clark	+1 281-888-5995
Houston	1209 4765 FM 1960 West, Suite E	Carmen Leon	+1 281-397-7400
Houston	1241 4850 Beechnut	Aubrey Elias	+1 713-218-7100
Houston	1327 5819 Gulf Freeway	Luis Garza	+1 713-534-1079
Houston	1340 9654A Katy Fwy	Juan Carlos Toffano	+1 713-461-8465
Houston	1344 1801 Durham Drive, Suite 7	Juan Carlos Toffano	+1 713-869-8885
Irving	1092 2654 N Beltline Road	Ali Arsalan	+1 972-255-5900
Katy	287 2240 S. Mason Road	Manji Hirani	+1 832-913-6666
Keller	382 721 Keller Parkway	Ali Arsalan	+1 817-741-0004
Kyle	1546 5401 South FM 1626 Suite 175	Haley Clark	+1 512-504-9321
Lake Worth	1113 6628 Lake Worth Boulevard	Muhammad Burney	+1 817-237-5450
Laredo	1299 The French Quarters	Ramiro Liendo	+1 956-718-2218
Lubbock	1740 8215 University Avenue Unit 130	Haley Clark	+1 806-696-4488
Mansfield	1112 1071 Country Club Dr. Ste 107	Ali Arsalan	+1 817-453-2500
McAllen	612 5113-A North 10th Street	Maurice Welton	+1 956-668-0555
McKinney	370 431 Stacy Road	Judy Posner	+1 214-383-9635
Mesquite	1517 19079 L B J Freeway, 635 Ste 55C	Tariq Ahmed	+1 972-613-1200
Mission	1510 913 N. Conway Avenue	Maurice Welton	+1 956-584-5701
Odessa	1547 4555 East University Blvd, STE A-2	Stephen Magee	+1 432-550-0330
Pasadena	1287 6729 Fairmont Parkway	Srikrishna Duvvuri	+1 281-991-3040
Pearland	1102 8201 Broadway Ste 141	Aubrey Elias	+1 281-997-1414
Plano	536 3304 Coit Rd.	Haley Clark	+1 972-985-6400
Richmond	1581 7930 W Grand Parkway	Alok Aggarwal	832-222-9394
Rockwall	329 549 East I-30	TaKory Cullins	+1 972-771-6454
Round Rock	579 115 Sundance Pkwy	Muhammad Ahsan	+1 512-244-4932
San Antonio	378 13410 San Pedro Ave	Haley Clark	+1 210-492-8300
San Antonio	826 5124 Fredericksburg Rd	Haley Clark	+1 210-377-1515
San Antonio	889 5139 N Loop 1604 W STE 103	Haley Clark	+1 210-764-7600
San Antonio	1088 2535 SW Military Drive Ste #105	Haley Clark	+1 210-921-2700
San Antonio	1246 18866 Stone Oak Parkway Suite 106	Haley Clark	+1 210-494-1163
Selma	888 8336 Agora Parkway	Haley Clark	+1 210-566-8700
Spring	1345 2174 Spring Stuebner Road, Suite 330	Cecilia Huguenin	+1 281-288-6666
Stafford	708 12726 Fountain Lake Circle	Aubrey Elias	+1 281-313-7848
Sugar Land	233 16126 South West Freeway	Manji Hirani	+1 281-313-0039
Texarkana	1648 4501 North State Line Avenue	TaKory Cullins	+1 903-306-0177
The Colony	1522 4740 State Highway 121 Ste. 800	Ali Arsalan	+1 469-275-4500
The Woodlands	234 6777 Woodlands Parkway	Cecilia Huguenin	+1 832-813-7200
Tyler	543 7925 S. Broadway Avenue	Ali Arsalan	+1 903-581-4808
Webster	1063 13914 State Highway 3	Haley Clark	+1 281-488-7777
Weslaco	1391 527 S Texas Blvd	Maurice Welton	+1 956-447-3533

**Utah (2)**

Murray	1716 5211 South State Street	Jeffrey Sanders	(801) 261-2400
Farmington	1720 336 W. Union Avenue	Jeffrey Sanders	(801) 261-2400
<b>Vermont (1)</b>			
South Burlington	779 100 Dorset St.	Alison Estey	+1 802-951-9100
<b>Virginia (34)</b>			
Alexandria	1505 1640 King Street Alexandria	Wahab Bari	+1 703-683-2288
Arlington	524 911 N. Quincy Street	Sora Yoon	+1 703-841-0111
Ashburn	546 42395 Ryan Road	Ana Moreno	+1 703-327-3636
Blacksburg	1106 Gables Shopping Center 1360 Main St	Sital Savia	+1 540-951-1840
Burke	587 9570 Burke Road	Sung-Ae Han	+1 703-323-5555
Charlottesville	222 180 Zan Road	Cheryl Baugher	+1 434-975-5333
Chesapeake	452 1437 Sams Drive	Janak Patel	+1 757-410-8795
Chesapeake	1051 3916 Portsmouth Blvd. Ste B-2	Maulin Shah	+1 757-606-1930
Colonial Heights	1043 798 South Park Boulevard Suite #18	Maulin Shah	+1 804-362-0586
Danville	1726 114 Sandy Ct	Paresh Suthar	+1 434-857-2796
Fairfax	139 11217 - A Lee Highway	Satish Vemana	+1 703-385-5454
Falls Church	908 109 E Annandale Rd	Satish Vemana	+1 703-639-0077
Fredericksburg	521 1923 Carl D Silver Parkway	Margaret Adams	+1 540-785-8851
Hampton	760 6 Coliseum Crossing	Maulin Shah	+1 757-825-9003
Haymarket	542 6723 Leaberry Way	Jhonny Cardozo	+1 703-754-3305
Leesburg	1542 19358 Diamond Lake Drive	Ana Moreno	571-333-4433
Manassas	569 9538 Liberia Avenue	Saisudha Surapaneni	+1 703-530-1590
McLean	1467 1400 Chain Bridge Road	Praveen Reddy Palreddy	+1 703-556-6666
Midlothian	413 11124 Hull Street Road	CarolAnn Hinds	+1 804-744-9006
Newport News	1729 340 Oyster Point Road	Maulin Shah	+1 757-881-9992
Norfolk	599 5802 E. Virginia Beach Boulevard	Tamara Rivera	+1 757-455-9066
Norfolk	1068 520 W 21st Street	Maulin Shah	+1 757-965-9224
Richmond	448 11000 Three Chopt Road	Avinash Patel	+1 804-362-8638
Richmond	461 9736 Midlothian Turnpike	Maulin Shah	+1 804-323-7848
Richmond	1339 1106 East Main Street	Maulin Shah	+1 804-343-2111
Roanoke	653 1345 Towne Square Plaza	Michael Mabery	+1 540-362-7090
Stafford	309 70 Doc Stone Road	Margaret Adams	+1 540-288-9580
Suffolk	1185 1024 Centerbrooke Lane Unit I	Nikunj Patel	+1 757-809-3990
Virginia Beach	214 1577 Laskin Road	Tamara Rivera	+1 757-422-4126
Virginia Beach	379 2728 N Mall Drive	Janak Patel	+1 757-463-3050
Virginia Beach	1417 2236 General Booth Blvd Ste 102	Jaroslav Ksenjek	+1 757-689-5950
Williamsburg	425 4655 Monticello Ave.	Malti Patel	+1 757-378-5807
Winchester	1611 2142 South Pleasant Valley Road	Karimot Dosunmu	+1 540-773-2377
Woodbridge	496 1941 Daniel Stuart Square	Melanie Carroll	+1 703-490-4491
<b>Washington (3)</b>			
Bellevue	1037 10455 NE 4th Street	Samir Daftary	+1 425-646-2200
Kirkland	225 9745 NE 119th Way	Samir Daftary	+1 425-814-2420
Tacoma	1519 1901 S 72nd St	Geet Garg	(253) 212-2136
<b>West Virginia (4)</b>			
Huntington	573 16 Pullman Square	Zachry Postin	+1 304-522-3002
Hurricane	862 38 Scott Way	Vivian Brown	+1 304-760-6106
Morgantown	946 869 Venture Drive	Dawn Shaffer	+1 304-284-0077
S. Charleston	547 11 River Walk Mall	Zachry Postin	+1 304-746-4444
<b>Wisconsin (5)</b>			
Brookfield	471 18900 West Bluemound Road	Kelsey Grande Hannan	+1 262-938-3000
De Pere	899 569 Swan Rd.	Pat Oconnell	+1 920-338-1600
Kenosha	803 7224 118th Ave	Aziza Hinnawi	+1 262-857-1100
Madison	476 2850 University Avenue	Oluwaseun Ogunnoiki	+1 608-441-3535
Milwaukee	1436 722 N Water St	Aziza Hinnawi	+1 414-225-0300
<b>Canada (39)</b>			
<b>Alberta (4)</b>			
Calgary	662 250 7th Ave SW	Supriya Shalvi	+1 403-269-3663
Calgary	941 35 High Street SE	Shubra Shalvi	+1 403-532-3001
Calgary	1357 #309 500 Country Hills Blvd. NE	Supriya Shalvi	+1 403-514-0905
Edmonton	949 10819 Jasper Avenue	Heath Kimery	+1 780-429-2901
<b>British Columbia (4)</b>			
Burnaby	1365 4459 Lougheed Hwy	Shu Yee Leanne Ma	+1 604-299-2290
Langley	1543 #110 8700 200 Street	Shu Yee Leanne Ma	+1 604-371-0188
Port Coquitlam	1162 #23-2755 Lougheed Hwy	Gurtejpal Kang	+1 604-554-0272
Vancouver	1364 2779 Arbutus Street	Shu Yee Leanne Ma	+1 604-733-8894
<b>Manitoba (1)</b>			
Winnipeg	1214 35B - 3 Reenders Drive	Dhaval Patel	+1 204-669-6662
<b>Nova Scotia (1)</b>			
Halifax	909 278 Lacewood Drive	Ryan McMahan	+1 902-404-3404
<b>Ontario (26)</b>			
Barrie	667 7 Anne Street South	Rommel D'Souza	+1 705-733-7775

Brampton	878 9960 McVean Drive	Balbir Hunjan	+1 905-794-5696
Brampton	1107 373 Steeles Ave West Unit 103	Minh-Chau Lisa Vu	+1 905-450-9100
Burlington	534 2440 New Street	Dhaval Patel	+1 905-634-0620
Cambridge	1152 525 Hespeler Road	Malina Hussein	+1 519-740-3555
Guelph	1028 292 Stone Road West	Hiren Shah	+1 519-826-9800
Hamilton	400 1400 Upper James Street	Malina Hussein	+1 905-575-5007
London	925 1634 Hyde Park Road	Malina Hussein	+1 519-641-1900
Markham	206 209 Main Street	Masi Hussein	+1 905-947-9555
Milton	1148 6B-575 Ontario Street South	Ariba Sajid	+1 905-636-0844
Mississauga	148 2087 Royal Windsor Drive	Aziz Hussein	+1 905-855-0431
Mississauga	361 63 Queen Street S Unit 9	Tu-Mai Wendy Truong	+1 905-814-5054
Mississauga	1097 1891 Rathburn Road East	Aziz Hussein	+1 905-247-7927
Newmarket	304 17665 Leslie Street	Aziz Hussein	+1 905-836-4447
Oakville	319 1500 Upper Middle Rd West	Pooja Kainth	+1 905-847-8533
Ottawa	763 1950 Merivale road unit 13	Ellie Senejani	+1 613-825-7677
Ottawa	958 240 Bank Street Unit 101	Jeff Rappoport	+1 613-237-0100
Pickering	1309 1298 Kingston Road, Unit 4	Wajma Hussein	+1 905-421-0003
Richmond Hill	194 9019 Bayview Avenue	Wajma Hussein	+1 905-731-7316
St. Catharines	848 111 4th Avenue	Robertta Ferrato	+1 905-684-7272
Toronto	112 140 Adelaide Street East	Zunaid Hassen	+1 416-367-3674
Toronto	1572 3200 Dufferin St	Aziz Hussein	+1 416-783-2025
Toronto	1573 474 Queens Quay West	Tamer Al- Atrash	+1 416-847-1017
Vaughan	202 3255 Rutherford Road Building H	Tiziana Cannella	+1 905-738-4100
Waterloo	1042 583 King St North unit B-4	Malina Hussein	+1 519-725-9800
Whitby	574 20 Broadleaf Avenue	Aziz Hussein	+1 905-620-0077
<b>Saskatchewan (1)</b>			
Saskatoon	1482 10-831 51st Street East	Robert McConnell	+1 306-227-7557
<b>Quebec (2)</b>			
Kirkland	460 3709 Saint Charles Boulevard	Emilce Ontini	+1 514-695-8484
Montreal	478 3636 boulevard Saint-Laurent	Sarkis Barsemian	+1 514-842-3279
<b>International (2)</b>			
<b>Qatar (2)</b>			
Doha	939 Gharrafah, Ithad Road	Ali Hashim	+974 4491 1112
Doha	940 1st Floor, Shop No. FC332.Doha, Doha	Ali Hashim	+974 4491 1112
<b>Corporate Operating Locations (1)</b>			
<b>United States</b>			
<b>Utha (1)</b>			
Provo	1204 2255 N University Parkway #3	Tariq Farid	+1 678-992-2292
<b>Coming Soon Locations (22)</b>			
<b>Arkansas (4)</b>			
Fayetteville	1730 TBD	Brieon Mitchell	+1 318-230-7077
Austin	1732 TBD	Brieon Mitchell	+1 318-230-7077
Jonesboro	1733 TBD	Brieon Mitchell	+1 318-230-7077
Ft. Smith	1757 TBD	Brieon Mitchell	+1 318-230-7077
<b>California (5)</b>			
Menifee	1724 TBD	Sameh Abdelmasih	+1 818-357-9350
San Francisco	1727 TBD	Yiyao Zhang	+1 925-666-5088
Mill Valley	1728 TBD	Yiyao Zhang	+1 925-666-5088
Vallejo	1738 TBD	Edgardo Melgar	+1 707-249-7555
Corona	1758 TBD	Christina Flores	+1 562-522-2101
<b>Indiana (1)</b>			
Crown Point	1751 TBD	Christian Washington	+1 800-828-9221
<b>Montana (1)</b>			
Missoula	1735 TBD	Robert Zarbock	+1 406-591-4825
<b>New Jersey (1)</b>			
Matawan	1721 TBD	Sanjay Patel	+1 914-513-1437
<b>Pennsylvania (7)</b>			
Philadelphia	1744 TBD	Nilita Patel	+1 908-324-4384
Philadelphia	1745 TBD	Nilita Patel	+1 908-324-4384
Philadelphia	1746 TBD	Nilita Patel	+1 908-324-4384
Philadelphia	1747 TBD	Nilita Patel	+1 908-324-4384
Philadelphia	1748 TBD	Nilita Patel	+1 908-324-4384
Philadelphia	1749 TBD	Nilita Patel	+1 908-324-4384
Philadelphia	1750 TBD	Nilita Patel	+1 908-324-4384
<b>Texas (1)</b>			
Houston	1736 5310 E Sam Houston Parkway North Suite S	Uri Geva	+1 979-412-3698
<b>Washington (2)</b>			
Issaquah	1752 TBD	Yogesh Garg	+1 425-282-5919

Tukwila  
Seattle

1753 TBD  
1754 TBD

Yogesh Garg  
Samir Daftary

+1 425-282-5919  
+1 704-497-0880

**Franchisee who left between January 1, 2023 and December 31, 2023**

**If you buy a Franchise, your contact information may be disclosed to other buyers when you leave the franchise system**

Store	Name	Corporate	City	State	Phone
819	Leslie Pollard	Oakwood Enterprise - RI, LLC	Huntsville	Alabama	203-726-7402
819	R. Timothy Mcdonald	Oakwood Enterprise - RI, LLC	Huntsville	Alabama	256-726-7400
819	Sabrina Cotton	Oakwood Enterprise - RI, LLC	Huntsville	Alabama	256-541-3656
1424	Francesca Allison	CourDan Enterprises, LLC	Opelika	Alabama	617-460-5311
1424	Wanda Lewis	CourDan Enterprises, LLC	Opelika	Alabama	334-332-3179
1358	Katrina Tomanik	1683081 ALBERTA LTD	Calgary	Alberta	403-809-1692
1358	Melanie Tomanik	1683081 ALBERTA LTD	Calgary	Alberta	587-576-6441
1358	Ted Tomanik	1683081 ALBERTA LTD	Calgary	Alberta	403-816-3882
933	Richard Lloyd	1354649 Alberta Ltd	Edmonton	Alberta	780-361-9474
933	Shelley Lloyd	1354649 Alberta Ltd	Edmonton	Alberta	780-361-9474
791	Elie Mettri	1769123 Alberta Ltd	Red Deer	Alberta	403-307-3960
791	Neil Mcleod	1769123 Alberta Ltd	Red Deer	Alberta	403-307-3960
262	Anthony Scozzaro	ZASEA Company LLC	Scottsdale	Arizona	724-433-9582
262	Zara Scozzaro	ZASEA Company LLC	Scottsdale	Arizona	602-882-1077
232	Anthony Scozzaro	ZASEA Company LLC	Glendale	Arizona	724-433-9582
232	Zara Scozzaro	ZASEA Company LLC	Glendale	Arizona	602-882-1077
152	Anthony Scozzaro	ZASEA Company LLC	Phoenix	Arizona	724-433-9582
152	Zara Scozzaro	ZASEA Company LLC	Phoenix	Arizona	602-882-1077
748	Vahe Avanesian	AGAVA Holdings, Inc	Alhambra	California	628-282-2887
446	Faith Fraser	B&F FRASER ENTERPRISES, LLC	Anaheim	California	714-321-0097
143	Bettina Hirata	Augmar, Inc	Costa Mesa	California	714-328-2934
143	Clifford Hirata	Augmar, Inc	Costa Mesa	California	714-329-8221
143	Jeffrey Hirata	Augmar, Inc	Costa Mesa	California	714-655-6293
143	Mario Gonzalez	Augmar, Inc	Costa Mesa	California	702-260-9796
143	Valerie Hirata	Augmar, Inc	Costa Mesa	California	702-499-9699
906	Leticia Vasquez	Metzli, Inc	Culver City	California	323-947-4046
278	Brayan Garcia	DKGH INC	Fullerton	California	323-605-4306
278	Keny Garcia	DKGH INC	Fullerton	California	714-713-9477
694	Armenak Tumanyan	HI & HT ENTERPRISES, INC	Gardena	California	310-918-7491
155	Tamara Gayramanyan	GMD Creative INC	Glendale	California	818-590-5735
792	Milvia Duarte	Zesati Enterprise	Huntington Park	California	323-283-3993
267	Hashim Choudhry	Choudhry Empire Inc	Laguna Hills	California	714-225-4457
249	Lulu Vazquez	Sedruol, Inc	Los Angeles	California	310-478-4501
439	Rahmani Ismatt Deiana	AIS Ventures Corp	Los Gatos	California	408-386-9441
439	Safi Ismatt	AIS Ventures Corp	Los Gatos	California	916-221-8446
439	Weyana Ismatt Aleaf	AIS Ventures Corp	Los Gatos	California	408-238-5497
110	Elias Younan	Blue Horizon Ent. Inc	Northridge	California	818-674-2653
419	Faith Fraser	B&F FRASER ENTERPRISES, LLC	Orange	California	714-321-0097
730	Brayan Garcia	DKGH INC	Pomona	California	323-605-4306
730	Keny Garcia	DKGH INC	Pomona	California	714-713-9477
954	Pablo Carral	SOCAL SUCCESS, LLC	Poway	California	619-520-6774
954	Teresa Carral	SOCAL SUCCESS, LLC	Poway	California	619-267-5581
1164	Ghulam Sarajzada	Ghulam&Sons	Rancho Palos Verdes	California	818-359-3869
1170	Rahmani Ismatt Deiana	AIS Ventures Corp	San Jose	California	408-386-9441
429	Rahmani Ismatt Deiana	AIS Ventures Corp	San Jose	California	408-386-9441
1170	Safi Ismatt	AIS Ventures Corp	San Jose	California	916-221-8446
429	Safi Ismatt	AIS Ventures Corp	San Jose	California	916-221-8446
1170	Weyana Ismatt Aleaf	AIS Ventures Corp	San Jose	California	408-802-4884
429	Weyana Ismatt Aleaf	AIS Ventures Corp	San Jose	California	408-238-5497
294	Faith Fraser	B&F FRASER ENTERPRISES, LLC	Westminster	California	714-321-0097
605	Angela Ramsey	\MSEY ROCKY MOUNTAIN HOLDINGS, L	Fort Collins	Colorado	970-218-7285
605	Matt Ramsey	\MSEY ROCKY MOUNTAIN HOLDINGS, L	Fort Collins	Colorado	970-237-1440
1704	Farrukh Farid	Amina Enterprises Inc	Meriden	Connecticut	203-298-8372
1276	Sora Yoon	Sora Yoon	Washington	District of Columbia	540-550-1053
1447	Megan Revels	RM SLEVER ENTERPRISES INC.	Winter Haven	Florida	863-412-8372
1447	Richard Revels	RM SLEVER ENTERPRISES INC.	Winter Haven	Florida	863-443-1707
465	Denise Bauer	Appleseed, LLC	Fort Lauderdale	Florida	954-214-9742
469	German Pao	Pao Partners Inc	Fort Walton Bch, FL	Florida	305-409-0243
260	Irwin Helbling	Sabra East Inc., a Florida corporation	Jupiter	Florida	203-430-0187
449	Samuel Curtis	BER Enterprise 449 Inc	North Miami Beach	Florida	954-701-4980
449	Sharon Curtis	BER Enterprise 449 Inc	North Miami Beach	Florida	954-701-4980
1244	Jehad Hannoush	FEERELLE 6 LLC	Orlando	Florida	407-956-0123
454	Benjamin Keller	HK Ventures, INC.	Tampa	Florida	614-390-8694
618	Rick Guidice	RG Projects, Inc	Valrico	Florida	813-410-1659
716	Donald Imbus	Everyday Elegance, Co.	Wesley Chapel	Florida	239-216-7062
405	Irwin Helbling	Double H Group, Inc.	West Palm Beach	Florida	203-430-0187
405	Tracie Helbling	Double H Group, Inc.	West Palm Beach	Florida	561-866-6569
394	Jehad Hannoush	FEERELLE 5 LLC	Winter Park	Florida	407-956-0123

1149	Elia Momin	ASEA LLC	Austell	Georgia	404-514-6578
1622	Jeffrey Kolmos	J3K LLC	Buford	Georgia	973-461-3138
1622	Juana (Deanna) Kolmos	J3K LLC	Buford	Georgia	201-527-7195
1714	Mark Dye	DYE-RICH, LLC	Savannah	Georgia	912-604-8030
1714	Slade Richard	DYE-RICH, LLC	Savannah	Georgia	912-237-8820
1334	Onali Momin	RAHIL CREATIONS, LLC	Suwanee	Georgia	678-520-3020
1495	Musa Rawling	Impressive Brands LLC	Tucker	Georgia	678-698-9226
466	Asim Ahmed	STACEY HAWAII LLC	Honolulu	Hawaii	469-544-8763
466	Tariq Ahmed	STACEY HAWAII LLC	Honolulu	Hawaii	214-682-2895
600	Karla Harris - Hylton	The Miller Investment Group, LLC	Chicago	Illinois	773-425-6033
299	Luis Rubschlager	Clybourn 60614 Corp	Chicago	Illinois	773-455-1444
600	Mark Miller	The Miller Investment Group, LLC	Chicago	Illinois	708-466-7858
141	Linda Ekendahl	LSLE, LLC	Elmhurst	Illinois	630-391-1566
757	Charles Amico	CharLin's Temptation , Inc	Geneva	Illinois	331-643-2633
757	Linda Amico	CharLin's Temptation , Inc	Geneva	Illinois	847-923-7529
455	Darby Law	Darby's Legacy INC	Joliet	Illinois	815-531-9311
455	Debra Law	Darby's Legacy INC	Joliet	Illinois	815-531-2483
455	Donald Law	Darby's Legacy INC	Joliet	Illinois	815-531-4685
501	Roshani Patel	NIYAM FOODS	Lansing	Illinois	630-809-4579
501	Ruchit Patel	NIYAM FOODS	Lansing	Illinois	331-452-4081
1342	Aubrey Elias	EliMass Group, LLC	Houston	Indiana	713-562-0875
1342	Janel Masson	EliMass Group, LLC	Houston	Indiana	713-703-7536
1342	Kerry Masson	EliMass Group, LLC	Houston	Indiana	713-824-8599
1342	Scott Elias	EliMass Group, LLC	Houston	Indiana	281-658-4992
1318	Larry Parsley	REUTERS, LLC	Indianapolis	Indiana	317-416-6290
1318	Retha Parsley	REUTERS, LLC	Indianapolis	Indiana	317-501-0866
1460	Jodi Bermel	LEMREB, INC	Ankeny	Iowa	319-239-4280
1460	Kathy Bermel	LEMREB, INC	Ankeny	Iowa	515-720-9928
804	Misty VanMilligan	Misty VanMilligan	Cedar Rapids	Iowa	319-533-0093
323	Chaz Wolfe	Wolfe Companies LLC	Lenexa	Kansas	573-529-1552
323	Julie Wolfe	Wolfe Companies LLC	Lenexa	Kansas	573-529-9888
1403	Amanda Hiner	BHAM, INC	Louisville	Kentucky	502-558-6294
1403	Benjamin Hiner	BHAM, INC	Louisville	Kentucky	502-742-0292
247	William Walker	DARRELL WALKER PROPERTIES, L.L.C	Mandeville	Louisiana	225-202-1224
247	Dana Walker	DARRELL WALKER PROPERTIES, L.L.C	Mandeville	Louisiana	225-347-1354
1568	Christopher Carter	CC East LLC	Brunswick	Maine	207-522-4676
1568	Zdenka Carter	CC East LLC	Brunswick	Maine	207-522-6437
1214	Colin Elias	5971528 Maitoba Ltd.	Winnipeg	Manitoba	204-955-3995
1214	Kyla Elias	5971528 Maitoba Ltd.	Winnipeg	Manitoba	204-334-4442
917	Maxwell Cipriani	M&W BROTHERS, INC	Hagerstown	Maryland	714-552-2213
917	Wahidullah Helmandi	M&W BROTHERS, INC	Hagerstown	Maryland	407-813-3314
1660	Kenneth Harmel	MYMENNEN, LLC	Hanover	Maryland	443-871-2793
1660	Mary Ellen Harmel	MYMENNEN, LLC	Hanover	Maryland	571-921-5043
710	Desiray Johnson	Fruit to Perfection Inc	Suitland	Maryland	240-393-8473
710	Franklyn Johnson II	Fruit to Perfection Inc	Suitland	Maryland	240-381-1794
334	Joan Moore	The Key Group Ventures, LLC	Waldorf	Maryland	301-807-0131
170	Greg Clark	Elegant Creations, Inc	Wilbraham	Massachu.	413-566-8502
170	Pam Clark	Elegant Creations, Inc	Wilbraham	Massachu.	413-566-8502
147	Emma Dalleva	Danico, INC	Beverly	Massachusetts	978-927-3120
147	Nicholas Dalleva	Danico, INC	Beverly	Massachusetts	617-828-7518
588	Debra Barry	MJM Enterprises, INC	Foxboro	Massachusetts	508-269-4534
588	John Barry	MJM Enterprises, INC	Foxboro	Massachusetts	508-588-0586
159	Candida Connors	RYCA, INC	Methuen	Massachusetts	978-360-7912
159	Michael Connors	RYCA, INC	Methuen	Massachusetts	978-360-7398
1437	Brian Mansoor	NBN Enterprise Inc	Belleville	Michigan	586-540-7796
1437	Nasim Qarana	NBN Enterprise Inc	Belleville	Michigan	248-302-7318
1437	Noor Qarana	NBN Enterprise Inc	Belleville	Michigan	248-302-7318
764	Cynthia Rose	CHAROSE HOLDING, LLC	Detroit	Michigan	248-763-0997
764	Kimberly McClellan	CHAROSE HOLDING, LLC	Detroit	Michigan	248-763-8553
764	Patrick Charles	CHAROSE HOLDING, LLC	Detroit	Michigan	312-920-7200
1442	Kelly Best	KM Family LLC	Lee's Summit	Michigan	913-290-0831
1442	Matthew Best	KM Family LLC	Lee's Summit	Michigan	913-207-3948
1649	Maher Macdesy	Mint Harbor, LLC	Rochester Hills	Michigan	615-416-2122
778	Brian Mansoor	QMQ ENTERPRISE, INC	Woodhaven	Michigan	586-540-7796
778	Nasim Qarana	QMQ ENTERPRISE, INC	Woodhaven	Michigan	248-302-7318
778	Noor Qarana	QMQ ENTERPRISE, INC	Woodhaven	Michigan	248-302-7318
1303	Lilmanie Petamar	SAVVY ENTERPRISES INC	Burnsville	Minnesota	612-414-2354
189	Lilmanie Petamar	SAVVY ENTERPRISES INC	Edina	Minnesota	612-414-2354
1438	Anthony Pope	Anthony Pope - Sole Proprietorship	Dilberville	Mississippi	864-991-2040



637	Chet Koch	STORE 657 LLC	Southaven	Mississippi	662-404-0448
183	Donna Downes	Downes Ventures, LLC	Portsmouth	New Hampton	603-380-6494
183	Thomas Downes	Downes Ventures, LLC	Portsmouth	New Hampton	603-380-6494
208	Tariq Saiyed	Fruits & Flowers Of Far Hills LLC	Far Hills	New Jersey	201-290-7090
1737	Melissa Vernon	Melissa Vernon	Hillsborough	New Jersey	908-745-8927
959	Ahmad Koshul	Zhakus LLC	Midland Park	New Jersey	201-621-2421
1488	Steven Mauro	Katie and Steve Corporation	Franklin	New York	516-404-4520
275	Steven Mauro	Mauro Family Enterprise Corporation	Garden City	New York	516-404-4520
1605	Atif Rafiq	ATIF RAFIQ, AS A SOLE PROPRIETORSHIP	Glen Cove	New York	631-879-7777
790	Judy Annunziata	Fruit Jam of Monroe, LLC	Monroe	New York	914-456-9035
1331	Ahmad Abrar Koshul	AKHB, Inc	New York	New York	201-621-2421
197	Rory Friedland	S&R Promotion, INC	Plainview	New York	516-353-7608
1441	Gokce Bozkurt	SISLI LLC	Smithtown	New York	631-680-4525
707	Ali Baig	MISQA A INC	Springfield Gardens	New York	631-960-1800
270	Sergey Guberman	Yoogo 270 Incorporated	Staten Island	New York	917-468-6262
1139	Shan Chen	Yoogo 1139 Incorporated	Staten Island	New York	917-280-8938
270	Shan Chen	Yoogo 270 Incorporated	Staten Island	New York	917-280-8938
1139	Yunling Zheng	Yoogo 1139 Incorporated	Staten Island	New York	917-214-1037
270	Yunling Zheng	Yoogo 270 Incorporated	Staten Island	New York	917-214-1037
1261	Amardeep Singh	KHALSA ARRANGEMENTS LLC	Monroe	North Carolina	510-209-1407
1261	Shilpa Kaur	KHALSA ARRANGEMENTS LLC	Monroe	North Carolina	704-806-7564
934	Brian Schneider	B & L Ventures LLC	Fargo	North Dakota	218-280-0717
934	Elizabeth Buethner	B & L Ventures LLC	Fargo	North Dakota	701-238-5305
1032	Matt Adkins	Marlon Enterprises, LLC.	Middleburg Heights	Ohio	216-244-4736
1032	Mike Lonsway	Marlon Enterprises, LLC.	Middleburg Heights	Ohio	216-214-9352
640	Lori Taylor	YOUNGSTOWN EDIBLE, LLC	Youngstown	Ohio	330-774-7589
851	Lori Taylor	Akron Edible, LLC	Youngstown	Ohio	330-774-7589
877	Lori Taylor	LRRJ Canton LLC	Youngstown	Ohio	330-774-7589
1347	Lori Taylor	The Falls Edible LLC	Youngstown	Ohio	330-774-7589
640	William Taylor	YOUNGSTOWN EDIBLE, LLC	Youngstown	Ohio	330-423-7508
851	William Taylor	Akron Edible, LLC	Youngstown	Ohio	330-423-7508
877	William Taylor	LRRJ Canton LLC	Youngstown	Ohio	330-423-7508
1347	William Taylor	The Falls Edible LLC	Youngstown	Ohio	330-423-7508
1267	Jeffrey Sanders	Midtown Ventures LLC	Tulsa	Oklahoma	918-504-8662
1267	Ronald Vaughn	Midtown Ventures LLC	Tulsa	Oklahoma	918-809-5589
1010	Malina Husseini	2723897 Ontario Inc	Brantford	Ontario	647-500-6946
578	Tonya Worthy	Toby's Enterprises LLC	Harrisburg	Pennsylvania	717-395-3160
1103	Eric Lege	Healthier Robinson, LLC	Pittsburgh	Pennsylvania	412-489-6234
196	Eric Leige	Healthier Mt Lebanon LLC	Pittsburgh	Pennsylvania	412-606-4888
1479	Michael Savino	R.P.R. FRANCHISE COMPANY, INC	Pottstown	Pennsylvania	484-824-4319
1479	Renee Savino	R.P.R. FRANCHISE COMPANY, INC	Pottstown	Pennsylvania	610-916-0785
115	Theodore Kostisin	Fruity Franchise, Inc	Providence	Rhode Island	401-230-3163
1494	Theodore Kostisin	DTNT LLC	Smithfield	Rhode Island	401-230-3163
1443	Dennis McIntyre	KYTRO, LLC	Murrells Inlet	South Carolina	843-251-1031
1443	Sharon McIntyre	KYTRO, LLC	Murrells Inlet	South Carolina	843-251-1031
1414	George Maragliano	1231 Rocks, LLC	Tega Cay	South Carolina	201-803-5163
1414	Jude Houghton	1231 Rocks, LLC	Tega Cay	South Carolina	201-803-5163
873	Kimberly Constant	FRUIT CREATIONS LLC	Brentwood	Tennessee	615-972-3746
873	Tony Constant	FRUIT CREATIONS LLC	Brentwood	Tennessee	615-972-0890
1263	Kimberly Constant	Fruit Creation Clarksville	Clarksville	Tennessee	615-972-3746
1263	Tony Constant	Fruit Creation Clarksville	Clarksville	Tennessee	615-972-0890
894	Kimberly Constant	FRUIT CREATIONS LLC	Hendersonville	Tennessee	615-972-3746
894	Tony Constant	FRUIT CREATIONS LLC	Hendersonville	Tennessee	615-972-0890
1525	Kimberly Constant	Fruit Creations of Clarksville, LLC	Mount Juliet	Tennessee	615-972-3746
1525	Tony Constant	Fruit Creations of Clarksville, LLC	Mount Juliet	Tennessee	615-972-0890
1264	Kimberly Constant	Fruit Creations of Nashville LLC	Nashville	Tennessee	615-972-3746
1264	Tony Constant	Fruit Creations of Nashville LLC	Nashville	Tennessee	615-972-0890
978	Aiysha Syed	REGAL SCOUT, INC	Arlington	Texas	817-368-7930
978	Eileen Khan	REGAL SCOUT, INC	Arlington	Texas	203-627-3229
978	Syed Azhar Uddin	REGAL SCOUT, INC	Arlington	Texas	817-368-7899
1380	Asia Maryam	Asia Maryam Incorporated	Conroe	Texas	204-800-4576
165	Ali Zakir	IMPRESSIVE CREATIONS ADDISON LLC	Dallas	Texas	201-401-9648
165	Ali-Nawaz Momin	IMPRESSIVE CREATIONS ADDISON LLC	Dallas	Texas	404-642-9538
165	Ash Momin	IMPRESSIVE CREATIONS ADDISON LLC	Dallas	Texas	404-402-9671
165	Rizvan Momin	IMPRESSIVE CREATIONS ADDISON LLC	Dallas	Texas	678-665-9623
165	Sima Momin	IMPRESSIVE CREATIONS ADDISON LLC	Dallas	Texas	678-910-9672
628	TaKory Cullins	XTREME ETC III, INC	Garland	Texas	469-338-7124
1241	Aubrey Elias	EliMass Group, LLC - Meyerland	Houston	Texas	713-562-0875
1241	Janel Masson	EliMass Group, LLC - Meyerland	Houston	Texas	713-703-7536

1241	Kerry Masson	EliMass Group, LLC - Meyerland	Houston	Texas	713-824-8599
1241	Scott Elias	EliMass Group, LLC - Meyerland	Houston	Texas	281-658-4992
395	Gwendolyn Auzenne	DOWNTOWN FRUIT, LLC	Humble	Texas	281-450-3345
395	Jude Auzenee	DOWNTOWN FRUIT, LLC	Humble	Texas	281-705-0552
1246	Ovie Michael Iduda	Second Sunrise LLC	San Antonio	Texas	917-292-0069
1604	Diptiben Patel	Jesshivdipa, Inc	Waco	Texas	254-870-1881
1604	Jessica Garcia	Jesshivdipa, Inc	Waco	Texas	254-495-1688
1604	Rajendra Patel	Jesshivdipa, Inc	Waco	Texas	254-715-1247
1604	Shivam Patel	Jesshivdipa, Inc	Waco	Texas	254-292-8866
1387	Kimberly Koss	SLKK Group Corporation	Saint George	Utah	702-218-7800
119	Wahab Bari	Lucky Traders INC	Alexandria	Virginia	978-235-0405
914	Kandace Anich	Vitamika, LLC	Lynchburg	Virginia	434-316-9585
914	Michael Anich	Vitamika, LLC	Lynchburg	Virginia	813-777-0984
338	Neelima Chanamolu	Ansu Reston LLC	Reston	Virginia	703-222-2290
338	Saisudha Surapaneni	Ansu Reston LLC	Reston	Virginia	703-282-7308
538	Melanie Carroll	Hopechest Enterprise, LLC	Springfield	Virginia	703-899-3982
1611	Cheryl Baugher	BAUGHER ENTERPRISES LLC	Winchester	Virginia	434-906-3368

## **EXHIBIT F**

### **STATE ADDENDA AND RIDERS TO FRANCHISE AGREEMENT**

#### **NO WAIVER OR DISCLAIMER OF RELIANCE IN CERTAIN STATES**

The following provision applies only to franchisees and franchises that are subject to the state franchise registration/disclosure laws in California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington, or Wisconsin:

No statement, questionnaire, or acknowledgement signed or agreed to by you in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by us, any franchise seller, or any other person acting on our behalf. This provision supersedes any other term of any document executed in connection with the franchise.

**ADDENDUM TO  
THE EDIBLE ARRANGEMENTS, LLC  
MULTI-STATE FRANCHISE DISCLOSURE DOCUMENT**

The following are additional disclosures for the Franchise Disclosure Document of EDIBLE ARRANGEMENTS, LLC required by various state franchise laws. Each provision of these additional disclosures will not apply unless, with respect to that provision, the jurisdictional requirements of the applicable state franchise registration and disclosure law are met independently without reference to these additional disclosures.

**HAWAII**

**THESE FRANCHISES WILL BE/HAVE BEEN FILED UNDER THE FRANCHISE INVESTMENT LAW OF THE STATE OF HAWAII. FILING DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT BY THE DIRECTOR OF REGULATORY AGENCIES OR A FINDING BY THE DIRECTOR OF REGULATORY AGENCIES THAT THE INFORMATION PROVIDED HEREIN IS TRUE, COMPLETE AND NOT MISLEADING. THE FRANCHISE INVESTMENT LAW MAKES IT UNLAWFUL TO OFFER OR SELL ANY FRANCHISE IN THIS STATE WITHOUT FIRST PROVIDING TO THE PROSPECTIVE FRANCHISEE, OR SUBFRANCHISOR, AT LEAST SEVEN DAYS PRIOR TO THE EXECUTION BY THE PROSPECTIVE FRANCHISEE OF ANY BINDING FRANCHISE OR OTHER AGREEMENT, OR AT LEAST SEVEN DAYS PRIOR TO THE PAYMENT OF ANY CONSIDERATION BY THE FRANCHISEE, OR SUBFRANCHISOR, WHICHEVER OCCURS FIRST, A COPY OF THE OFFERING CIRCULAR, TOGETHER WITH A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE. THIS OFFERING CIRCULAR CONTAINS A SUMMARY ONLY OF CERTAIN MATERIAL PROVISIONS OF THE FRANCHISE AGREEMENT. THE CONTRACT OR AGREEMENT SHOULD BE REFERRED TO FOR A STATEMENT OF ALL RIGHTS, CONDITIONS, RESTRICTIONS AND OBLIGATIONS OF BOTH THE FRANCHISOR AND THE FRANCHISEE.**

1. The following paragraph is added to the end of Item 17 of the Franchise Disclosure Document:

No statement, questionnaire, or acknowledgement signed or agreed to by you in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by us, any franchise seller, or any other person acting on our behalf. This provision supersedes any other term of any document executed in connection with the franchise.

2. Exhibit H (Franchisee Disclosure Questionnaire) to the Franchise Disclosure Document is hereby deleted in its entirety.

**ILLINOIS**

1. The following statements are added to the end of Item 17:

Except for the Federal Arbitration Act that applies to arbitration, Illinois law governs the Franchise Agreement.

In conformance with Section 4 of the Illinois Franchise Disclosure Act, any provision in a franchise agreement that designates jurisdiction and venue in a forum outside of the State of Illinois is void. However, a franchise agreement may provide for arbitration to take place outside of Illinois.

Franchisees' rights upon termination and non-renewal are set forth in Sections 19 and 20 of the Illinois Franchise Disclosure Act.

In conformance with Section 41 of the Illinois Franchise Disclosure Act, any condition, stipulation, or provision purporting to bind any person acquiring any franchise to waive compliance with the Illinois Franchise Disclosure Act or any other law of Illinois is void.

## **MARYLAND**

1. The following language is added as the last paragraph of Items 5 and 7:

Based upon the franchisor's financial condition, the Maryland Securities Commissioner has required a financial assurance. Therefore, all initial fees and payments owed by franchisees shall be deferred until the franchisor completes its pre-opening obligations under the franchise agreement.

2. The following language is added to the end of the "Summary" sections of Item 17(c), titled **Requirements for franchisee to renew or extend**, and Item 17(m), titled **Conditions for franchisor approval of transfer**:

Any release required as a condition of renewal and/or assignment/transfer will not apply to any liability under the Maryland Franchise Registration and Disclosure Law. (The form of general release that we currently intend to use in connection with franchise transfers and renewals is provided in Exhibit J of this disclosure document.)

3. The following language is added to the end of the "Summary" section of Item 17(h), titled **"Cause" defined – non-curable defaults**:

The Franchise Agreement provides for termination upon your bankruptcy. This provision might not be enforceable under federal bankruptcy law (11 U.S.C. Section 101 et seq.), but we will enforce it to the extent enforceable.

4. The "Summary" section of Item 17(v), titled **Choice of forum**, is amended to read as follows:

Subject to arbitration requirement, (a) litigation generally must be in courts closest to where we have our principal business address at the time the action is commenced (it currently is in Atlanta, Georgia), and (b) to the extent required by the Maryland Franchise Registration and Disclosure Law, you may bring an action in Maryland.

5. The "Summary" section of Item 17(w), titled **Choice of law**, is deleted in its entirety and the following is substituted in its place:

Georgia law generally applies, except for the Federal Arbitration Act, other federal law, and claims arising under the Maryland Franchise Registration and Disclosure Law.

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

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

No statement, questionnaire, or acknowledgement signed or agreed to by you in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by us, any franchise seller, or any other person acting on our behalf. This provision supersedes any other term of any document executed in connection with the franchise.

## **MINNESOTA**

1. The following sentence is added to the “Remarks” column of the “Late Fee” line-item in Item 6:

With respect to franchises governed by Minnesota law, we will comply with Minn. Stat. Sec. 604.113, which puts a cap of \$30 on an NSF check.

2. The following paragraphs are added at the end of the chart in Item 17:

With respect to franchises governed by Minnesota law, we will comply with Minn. Stat. Sec. 80C.14, Subds. 3, 4 and 5 which require, except in certain specified cases, that you be given 90 days’ notice of termination (with 60 days to cure) of the Franchise Agreement and 180 days’ notice for non-renewal of the Franchise Agreement.

Minn. Stat. Sec. 80C.21 and Minn. Rule 2860.4400J prohibit us from requiring litigation to be conducted outside Minnesota, requiring waiver of a jury trial, or requiring you to consent to liquidated damages, termination penalties, or judgment notes. In addition, nothing in the disclosure document or Franchise Agreement can abrogate or reduce any of your rights as provided for in Minnesota Statutes 1984, Chapter 80C, or your rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.

Any release required as a condition of renewal, sale and/or transfer/assignment will not apply to the extent prohibited by applicable law with respect to claims arising under Minn. Rule 2860.4400D.

No statement, questionnaire, or acknowledgement signed or agreed to by you in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by us, any franchise seller,

or any other person acting on our behalf. This provision supersedes any other term of any document executed in connection with the franchise.

## **NORTH DAKOTA**

1. The following language is added to the “Remarks” column of the “Liquidated Damages” line-item in Item 6 and to the end of the “Summary” section of Item 17(i), titled **Franchisee’s obligations on termination/nonrenewal:**

The Commissioner has determined termination or liquidated damages to be unfair, unjust and inequitable within the intent of Section 51-19-09 of the North Dakota Franchise Investment Law. However, we and you agree to enforce these provisions to the extent the law allows.

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

However, any release required as a condition of renewal and/or assignment/transfer will not apply to the extent prohibited by the North Dakota Franchise Investment Law.

3. The following language is added to the end of the “Summary” section of Item 17(r), titled **Non-competition covenants after the franchise is terminated or expires:**

Covenants not to compete such as those mentioned above generally are considered unenforceable in North Dakota. However, we will seek to enforce them to the extent enforceable.

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

To the extent required by the North Dakota Franchise Investment Law, but subject to your arbitration obligations, you may bring an action in North Dakota.

5. The following language replaces the “Summary” section of Item 17(w), titled **Choice of law:**

Except for federal law, North Dakota law applies.

6. The following paragraph is added to the end of Item 17 of the Franchise Disclosure Document:

No statement, questionnaire, or acknowledgement signed or agreed to by you in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by us, any franchise seller,

or any other person acting on our behalf. This provision supersedes any other term of any document executed in connection with the franchise.

**VIRGINIA**

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

Pursuant to Section 13.1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to cancel a franchise without reasonable cause. If any grounds for default or termination stated in the Franchise Agreement do not constitute “reasonable cause,” as that term may be defined in the Virginia Retail Franchising Act or the laws of Virginia, that provision might not be enforceable.

2. The following paragraph is added to the end of Item 17 of the Franchise Disclosure Document:

No statement, questionnaire, or acknowledgement signed or agreed to by you in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by us, any franchise seller, or any other person acting on our behalf. This provision supersedes any other term of any document executed in connection with the franchise.

\*\*\*\*\*

**ASSURANCE OF DISCONTINUANCE  
STATE OF WASHINGTON**

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



**THE FOLLOWING PAGES IN THIS EXHIBIT ARE  
STATE-SPECIFIC RIDERS TO THE  
FRANCHISE AGREEMENT**

**RIDER TO THE  
EDIBLE ARRANGEMENTS, LLC  
FRANCHISE AGREEMENT  
FOR USE IN HAWAII**

This Rider is made and entered into as of the \_\_\_\_ day of \_\_\_\_\_, 20\_\_ (the "Effective Date") (regardless of the dates of the parties' signatures) by and between **EDIBLE ARRANGEMENTS, LLC**, a Delaware limited liability company ("we," "us," or "our"), and \_\_\_\_\_ ("you" or "your").

1. **BACKGROUND.** We and you are parties to that certain Franchise Agreement dated \_\_\_\_\_, 20\_\_ that has been signed concurrently with the signing of this Rider (the "Franchise Agreement"). This Rider is annexed to and forms part of the Franchise Agreement. This Rider is being signed because (a) any of the franchise offer or sales activity relating to the Franchise Agreement occurred in Hawaii, or (b) you are a resident of Hawaii.

2. **SPECIAL REPRESENTATIONS.** Sections 23(8) through 23(15) of the Franchise Agreement are hereby deleted.

**IN WITNESS WHEREOF**, the parties hereto have duly executed, sealed, and delivered this Agreement this \_\_\_\_\_ of \_\_\_\_\_ 20\_\_ but to be effective as of the Effective Date.

**EDIBLE ARRANGEMENTS, LLC:**

By: \_\_\_\_\_ Title: \_\_\_\_\_ Date: \_\_\_\_\_

**FRANCHISEE:** \_\_\_\_\_

By: \_\_\_\_\_ Title: \_\_\_\_\_ Date: \_\_\_\_\_

By: \_\_\_\_\_ Title: \_\_\_\_\_ Date: \_\_\_\_\_

**RIDER TO THE  
EDIBLE ARRANGEMENTS, LLC  
FRANCHISE AGREEMENT  
FOR USE IN ILLINOIS**

This Rider is made and entered into as of the \_\_\_\_ day of \_\_\_\_\_, 20\_\_ (the “Effective Date”) (regardless of the dates of the parties’ signatures) by and between **EDIBLE ARRANGEMENTS, LLC**, a Delaware limited liability company (“we,” “us,” or “our”), and \_\_\_\_\_ (“you” or “your”).

1. **BACKGROUND.** We and you are parties to that certain Franchise Agreement dated \_\_\_\_\_, 20\_\_ that has been signed concurrently with the signing of this Rider (the “Franchise Agreement”). This Rider is annexed to and forms part of the Franchise Agreement. This Rider is being signed because (a) the offer or sale of the franchise for the EDIBLE® Business that you will operate under the Franchise Agreement was made in the State of Illinois and the EDIBLE® Business will be located in Illinois and/or (b) you are a resident of Illinois.

2. **TERMINATION.** The following language is added at the beginning of Section 18.A of the Franchise Agreement:

Franchisee’s rights upon termination and non-renewal are set forth in Sections 19 and 20 of the Illinois Franchise Disclosure Act.

3. **GOVERNING LAW.** Section 20.D. of the Franchise Agreement is deleted and replaced with the following:

THIS AGREEMENT SHALL BE GOVERNED BY THE UNITED STATES FEDERAL ARBITRATION ACT (9 U.S.C. §§ 1 ET SEQ.). EXCEPT TO THE EXTENT GOVERNED BY THE FEDERAL ARBITRATION ACT, THE UNITED STATES TRADEMARK ACT OF 1946 (LANHAM ACT, 15 U.S.C. SECTIONS 1051 ET SEQ.), OR OTHER UNITED STATES FEDERAL LAW, ILLINOIS LAW GOVERNS THIS AGREEMENT.

4. **CONSENT TO JURISDICTION.** Section 20.E. of the Franchise Agreement is deleted and replaced with the following:

In conformance with Section 4 of the Illinois Franchise Disclosure Act, any provision in a franchise agreement that designates jurisdiction and venue in a forum outside of the State of Illinois is void. However, a franchise agreement may provide for arbitration to take place outside of Illinois.

5. **WAIVER OF PUNITIVE AND EXEMPLARY DAMAGES AND JURY TRIAL.** The following language is added to the end of Sections 20.G. and 20.H. of the Franchise Agreement:

HOWEVER, THIS WAIVER SHALL NOT APPLY TO THE EXTENT PROHIBITED BY SECTION 705/41 OF THE ILLINOIS FRANCHISE DISCLOSURE ACT OF 1987 OR ILLINOIS REGULATIONS AT SECTION 260.609.

6. **ILLINOIS FRANCHISE DISCLOSURE ACT.** The following language is added as Section 25 of the Franchise Agreement.

25. **ILLINOIS FRANCHISE DISCLOSURE ACT.**

In conformance with Section 41 of the Illinois Franchise Disclosure Act, any condition, stipulation, or provision purporting to bind any person acquiring any franchise to waive compliance with any provision of the Act or any other law of Illinois is void. However, that Section shall not prevent any person from entering into a settlement agreement or executing a general release regarding a potential or actual lawsuit filed under any provision of the Act, nor shall it prevent the arbitration of any claim pursuant to the provisions of Title 9 of the United States Code.

**IN WITNESS WHEREOF**, the parties hereto have duly executed, sealed, and delivered this Agreement this \_\_\_\_\_ of \_\_\_\_\_ 20\_\_ but to be effective as of the Effective Date.

**EDIBLE ARRANGEMENTS, LLC:**

By: \_\_\_\_\_ Title: \_\_\_\_\_ Date: \_\_\_\_\_

**FRANCHISEE:** \_\_\_\_\_

By: \_\_\_\_\_ Title: \_\_\_\_\_ Date: \_\_\_\_\_

By: \_\_\_\_\_ Title: \_\_\_\_\_ Date: \_\_\_\_\_

**RIDER TO THE  
EDIBLE ARRANGEMENTS, LLC  
FRANCHISE AGREEMENT  
FOR USE IN MARYLAND**

This Rider is made and entered into as of the \_\_\_\_ day of \_\_\_\_\_, 20\_\_ (the "Effective Date") (regardless of the dates of the parties' signatures) by and between **EDIBLE ARRANGEMENTS, LLC**, a Delaware limited liability company ("we," "us," or "our"), and \_\_\_\_\_ ("you" or "your").

1. **BACKGROUND.** We and you are parties to that certain Franchise Agreement dated \_\_\_\_\_, 20\_\_ that has been signed concurrently with the signing of this Rider (the "Franchise Agreement"). This Rider is annexed to and forms part of the Franchise Agreement. This Rider is being signed because (a) you are a resident of the State of Maryland, or (b) the EDIBLE® Business you will operate under the Franchise Agreement will be located in Maryland.

2. **RELEASES.** The following language is added at the end of Sections 2.B.(8), 16.D.(2)(k), and Section 19.K.(6) of the Franchise Agreement:

; provided, however, that such general release shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

3. **INITIAL FRANCHISE FEE.** The following language is added to the end of Section 9.A. of the Franchise Agreement:

Based upon EA's financial condition, the Maryland Securities Commissioner has required a financial assurance. Therefore, all initial fees and payments owed by Franchisee shall be deferred until EA completes its pre-opening obligations under this Franchise Agreement.

4. **TERMINATION.** The following language is added to the end of Section 17.B.(7) of the Franchise Agreement:

; however, such provision might not be enforceable under federal bankruptcy law (11 U.S.C. Section 1010 *et seq.*), although EA intends to enforce it to the extent enforceable.

5. **GOVERNING LAW.** Section 20.D. of the Franchise Agreement is deleted and replaced with the following:

THIS AGREEMENT SHALL BE GOVERNED BY THE UNITED STATES FEDERAL ARBITRATION ACT (9 U.S.C. §§ 1 ET SEQ.). EXCEPT TO THE EXTENT GOVERNED BY THE FEDERAL ARBITRATION ACT, THE UNITED STATES TRADEMARK ACT OF 1946 (LANHAM ACT, 15 U.S.C. SECTIONS 1051 ET SEQ.), OR OTHER UNITED STATES FEDERAL LAW, AND EXCEPT AS OTHERWISE REQUIRED BY LAW FOR CLAIMS ARISING UNDER THE MARYLAND FRANCHISE REGISTRATION AND DISCLOSURE LAW, THIS AGREEMENT, THE FRANCHISE, AND ALL CLAIMS ARISING FROM THE RELATIONSHIP BETWEEN EA AND FRANCHISEE WILL BE GOVERNED BY THE LAWS OF THE STATE OF GEORGIA, WITHOUT REGARD TO ITS

CONFLICT OF LAWS RULES, EXCEPT THAT ANY GEORGIA LAW REGULATING THE OFFER AND SALE OF FRANCHISES OR BUSINESS OPPORTUNITIES OR GOVERNING THE RELATIONSHIP OF A FRANCHISOR AND ITS FRANCHISEE WILL NOT APPLY UNLESS ITS JURISDICTIONAL REQUIREMENTS ARE MET INDEPENDENTLY WITHOUT REFERENCE TO THIS SECTION.

6. **JURISDICTION AND VENUE.** The following language is added to the end of Section 20.E. of the Franchise Agreement:

Notwithstanding the foregoing, and subject to Franchisee's arbitration obligations under Section 20.C above, Franchisee may bring an action in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law.

7. **LIMITATIONS OF CLAIMS.** The following language is added to the end of Section 20.I. of the Franchise Agreement:

, except that any and all claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within three (3) years after the grant of the Franchise.

8. **SPECIAL REPRESENTATIONS.** Sections 23(8) through 23(15) of the Franchise Agreement are hereby deleted.

**IN WITNESS WHEREOF**, the parties hereto have duly executed, sealed and delivered this Agreement this \_\_\_\_\_ of \_\_\_\_\_ 20\_\_ but to be effective as of the Effective Date.

**EDIBLE ARRANGEMENTS, LLC:**

By: \_\_\_\_\_ Title: \_\_\_\_\_ Date: \_\_\_\_\_

**FRANCHISEE:** \_\_\_\_\_

By: \_\_\_\_\_ Title: \_\_\_\_\_ Date: \_\_\_\_\_

By: \_\_\_\_\_ Title: \_\_\_\_\_ Date: \_\_\_\_\_

**RIDER TO THE  
EDIBLE ARRANGEMENTS, LLC  
FRANCHISE AGREEMENT  
FOR USE IN MINNESOTA**

This Rider is made and entered into as of the \_\_\_\_ day of \_\_\_\_\_, 20\_\_ (the “Effective Date”) (regardless of the dates of the parties’ signatures) by and between **EDIBLE ARRANGEMENTS, LLC**, a Delaware limited liability company (“we,” “us,” or “our”), and \_\_\_\_\_ (“you” or “your”).

1. **BACKGROUND.** We and you are parties to that certain Franchise Agreement dated \_\_\_\_\_, 20\_\_ that has been signed concurrently with the signing of this Rider (the “Franchise Agreement”). This Rider is annexed to and forms part of the Franchise Agreement. This Rider is being signed because (a) the offer or sale of the franchise for the EDIBLE® Business that you will operate under the Franchise Agreement was made in the State of Minnesota and/or (b) the Business will be operated in Minnesota.

2. **RELEASES.** The following language is added to the end of Sections 2.B.(8), 16.D.(2)(k), and 19.K.(6) of the Franchise Agreement:

Provided, however, that such general releases will not apply to the extent prohibited by applicable law with respect to claims which arise under Minn. Rule 2860.4400D.

3. **EVENTS OF DEFAULT AND TERMINATION.** The following language is added at the end of Sections 17 and 18 of the Franchise Agreement:

However, with respect to franchises governed by Minnesota law, EA will comply with Minn. Stat. Sec. 80C.14, Subds. 3, 4 and 5 which require, except in certain specified cases, that Franchisee be given 90 days’ notice of termination (with 60 days to cure) and 180 days’ notice of non-renewal of this Agreement.

4. **GOVERNING LAW.** The following language is added to the end of Section 20.D. of the Franchise Agreement:

NOTHING IN THIS AGREEMENT WILL ABROGATE OR REDUCE ANY OF FRANCHISEE’S RIGHTS UNDER MINNESOTA STATUTES CHAPTER 80C OR FRANCHISEE’S RIGHT TO ANY PROCEDURE, FORUM OR REMEDIES THAT THE LAWS OF THE JURISDICTION PROVIDE.

5. **CONSENT TO JURISDICTION.** The following language is added to the end of Section 20.E. of the Franchise Agreement:

NOTWITHSTANDING THE FOREGOING, MINN. STAT. SEC. 80C.21 AND MINN. RULE 2860.4400J PROHIBIT EA, EXCEPT IN CERTAIN SPECIFIED CASES, FROM REQUIRING LITIGATION TO BE CONDUCTED OUTSIDE OF MINNESOTA. NOTHING IN THIS AGREEMENT WILL ABROGATE OR REDUCE ANY OF FRANCHISEE’S RIGHTS UNDER MINNESOTA

STATUTES CHAPTER 80C OR FRANCHISEE'S RIGHTS TO ANY PROCEDURE, FORUM, OR REMEDIES THAT THE LAWS OF THE JURISDICTION PROVIDE.

6. **WAIVER OF PUNITIVE DAMAGES AND JURY TRIAL.** If and then only to the extent required by the Minnesota Franchises Law, Sections 20.G. and 20.H. of the Franchise Agreement are deleted in their entirety.

7. **LIMITATIONS OF CLAIMS.** The following sentence is added to the end of Section 20.I. of the Franchise Agreement:

Minnesota law provides that no action may be commenced under Minn. Stat. Sec. 80C.17 more than three (3) years after the cause of action accrues. Minn. Stat. §80C.17, Subd. 5.

**IN WITNESS WHEREOF**, the parties hereto have duly executed, sealed and delivered this Agreement this \_\_\_\_\_ of \_\_\_\_\_ 20\_\_ but to be effective as of the Effective Date.

**EDIBLE ARRANGEMENTS, LLC:**

By: \_\_\_\_\_ Title: \_\_\_\_\_ Date: \_\_\_\_\_

**FRANCHISEE:** \_\_\_\_\_

By: \_\_\_\_\_ Title: \_\_\_\_\_ Date: \_\_\_\_\_

By: \_\_\_\_\_ Title: \_\_\_\_\_ Date: \_\_\_\_\_



**RIDER TO THE  
EDIBLE ARRANGEMENTS, LLC  
FRANCHISE AGREEMENT  
FOR USE IN NORTH DAKOTA**

This Rider is made and entered into as of the \_\_\_\_ day of \_\_\_\_\_, 20\_\_ (the "Effective Date") (regardless of the dates of the parties' signatures) by and between **EDIBLE ARRANGEMENTS, LLC**, a Delaware limited liability company ("we," "us," or "our"), and \_\_\_\_\_ ("you" or "your").

1. **BACKGROUND.** We and you are parties to that certain Franchise Agreement dated \_\_\_\_\_, 20\_\_ that has been signed concurrently with the signing of this Rider (the "Franchise Agreement"). This Rider is annexed to and forms part of the Franchise Agreement. This Rider is being signed because (a) the offer or sale of the franchise for the EDIBLE® Business that you will operate under the Franchise Agreement was made in the State of North Dakota, and/or (b) you are a resident of North Dakota and your Business will be located or operated in North Dakota.

2. **RELEASES.** The following language is added to the end of Sections 2.B.(8), 16.D.(2)(k), and 19.K.(6) of the Franchise Agreement:

Any release executed will not apply to the extent otherwise prohibited by applicable law with respect to claims arising under the North Dakota Franchise Investment Law.

3. **COVENANT NOT TO COMPETE.** The following language is added to the end of Sections 15.B. and 15.C. of the Franchise Agreement:

Covenants not to compete such as those mentioned above are generally considered unenforceable in the State of North Dakota. However, Franchisee acknowledges and agrees that EA intends to seek enforcement of these provisions to the extent allowed under the law.

4. **LIQUIDATED DAMAGES.** The following language is added to the end of Section 19.E. of the Franchise Agreement:

The Commissioner has determined termination or liquidated damages to be unfair, unjust and inequitable within the intent of Section 51-19-09 of the North Dakota Franchise Investment Law. However, EA and Franchisee agree to enforce these provisions to the extent the law allows.

5. **ARBITRATION.** The first sentence of Section 20.C.(3) of the Franchise Agreement is deleted and replaced with the following:

All proceedings will be conducted at a suitable location which is within ten (10) miles of where EA has its principal business address at the time the arbitration demand is filed, provided, however, that to the extent required by the North Dakota Franchise Investment Law (unless such a requirement is preempted by the Federal Arbitration Act), arbitration proceedings will be held at a site to which EA and Franchisee agree.

6. **GOVERNING LAW.** The following language is added to the end of Section 20.D. of the Franchise Agreement:

Notwithstanding the foregoing, to the extent required by the North Dakota Franchise Investment Law, North Dakota law will apply to this Agreement.

7. **CONSENT TO JURISDICTION.** The following language is added to the end of Section 20.E. of the Franchise Agreement:

However, to the extent required by applicable law, but subject to Franchisee’s arbitration obligations, Franchisee may bring an action in North Dakota.

8. **WAIVER OF PUNITIVE DAMAGES AND JURY TRIAL.** If and then only to the extent required by the North Dakota Franchise Investment Law, Sections 20.G. and 20.H. of the Franchise Agreement are deleted in their entirety.

9. **LIMITATION OF CLAIMS.** The following language is added to the end of Section 20.I. of the Franchise Agreement:

The statute of limitations under North Dakota law applies with respect to claims arising under the North Dakota Franchise Investment Law.

**IN WITNESS WHEREOF,** the parties hereto have duly executed, sealed and delivered this Agreement this \_\_\_\_\_ of \_\_\_\_\_ 20\_\_ but to be effective as of the Effective Date.

**EDIBLE ARRANGEMENTS, LLC:**

By: \_\_\_\_\_ Title: \_\_\_\_\_ Date: \_\_\_\_\_

**FRANCHISEE:** \_\_\_\_\_

By: \_\_\_\_\_ Title: \_\_\_\_\_ Date: \_\_\_\_\_

By: \_\_\_\_\_ Title: \_\_\_\_\_ Date: \_\_\_\_\_

**EXHIBIT G**

**PRINCIPAL'S AGREEMENT**

**EDIBLE ARRANGEMENTS, LLC**  
**PRINCIPAL'S AGREEMENT**

**THIS PRINCIPAL'S AGREEMENT** (the "Agreement") is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_, by and among **EDIBLE ARRANGEMENTS, LLC**, a Delaware limited liability company ("EA"), and the owners (direct or indirect), directors, and officers whose names and signatures appear below (collectively, the "Principals" or, individually, a "Principal").

**WITNESSETH:**

**WHEREAS**, EA has entered into that certain Franchise Agreement dated \_\_\_\_\_, 20\_\_\_ (the "Franchise Agreement") with \_\_\_\_\_ (the "Entity"); and

**WHEREAS**, EA desires to set forth the respective liabilities and responsibilities of each Principal who signs this Agreement.

**NOW, THEREFORE**, in consideration of EA's entry into the Franchise Agreement, and for other good and valuable consideration, the receipt and sufficiency of which are acknowledged, the parties agree as follows:

1. The preambles are incorporated by this reference.
2. Each of the undersigned Principals individually agrees that:
  - (a) he or she will be personally bound by the following sections of the Franchise Agreement, whether the obligations described in those sections are imposed upon the Entity, its owners, or both, as if he or she were the Franchisee under the Franchise Agreement: Sections 4.B through 4.G; 5; 6.G; 7; 8; 11.B; 15; 16; 19.A, B, C, F, G, I, and J; 20; 22; and 23;
  - (b) the liabilities and obligations arising under subsection (a) are independent liabilities and obligations of each Principal and are not contingent or conditioned upon EA's pursuit of any remedies against the Entity or any other person under the Franchise Agreement; and
  - (c) the liabilities and obligations arising under subsection (a) will not be diminished, relieved, or otherwise affected by any extension of time or credit, the acceptance of any partial payment or performance, or the compromise or release of any claims.

Each of the undersigned Principals waives all rights to payments and claims for reimbursement or subrogation which any of the undersigned may have against the Entity arising as a result of the undersigned's execution of and performance under this Agreement.

3. This Agreement will terminate only upon the termination or expiration of the noted obligations under the Franchise Agreement.

4. Each of the undersigned Principals represents that he or she owns the percentage interest or holds the position in the Entity, or in an owner of the Entity, shown opposite his or her signature below.

5. Each Principal represents that the signatures of all Principals (as defined above) of the Entity appear below or in another original copy of this Agreement (except for those individuals who have signed the Guaranty and Assumption of Obligations attached to the Franchise Agreement) and that the Entity has no other owners (direct or indirect), directors, or officers.

**IN WITNESS WHEREOF**, the parties have executed this Agreement on the date and year first above written.

**EDIBLE ARRANGEMENTS, LLC**, a Delaware limited liability company

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

Title: \_\_\_\_\_

[Additional Signature Page Follows]

**SHAREHOLDERS:**

**PERCENTAGE OWNERSHIP**

_____	/ _____
[Name]	
_____	/ _____
[Signature]	
_____	/ _____
[Name]	
_____	/ _____
[Signature]	

**OFFICERS:**

**POSITION**

_____	/ _____
[Name]	
_____	/ _____
[Signature]	
_____	/ _____
[Name]	
_____	/ _____
[Signature]	

**DIRECTORS:**

_____
[Name]
_____
[Signature]
_____
[Name]
_____
[Signature]

**OTHER:**

**POSITION**

_____	/ _____
[Name]	
_____	/ _____
[Signature]	
_____	/ _____
[Name]	
_____	/ _____
[Signature]	

**EXHIBIT H**

**FRANCHISEE DISCLOSURE QUESTIONNAIRE**

**(This Franchisee Disclosure Questionnaire Document will not be used if the franchise is to be operated in, or you are a resident of, California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington, or Wisconsin)**

**EDIBLE ARRANGEMENTS, LLC**  
**FRANCHISEE DISCLOSURE QUESTIONNAIRE**

**THIS DOCUMENT SHALL NOT BE SIGNED BY YOU, AND WILL NOT APPLY, IF THE OFFER OR SALE OF THE FRANCHISE IS SUBJECT TO THE STATE FRANCHISE REGISTRATION/DISCLOSURE LAWS IN THE STATES OF CALIFORNIA, HAWAII, ILLINOIS, INDIANA, MARYLAND, MICHIGAN, MINNESOTA, NEW YORK, NORTH DAKOTA, RHODE ISLAND, SOUTH DAKOTA, VIRGINIA, WASHINGTON, OR WISCONSIN.**

**Do not sign this Questionnaire if you are a resident of Maryland or the business is to be operated in Maryland.**

As you know, Edible Arrangements, LLC (“we,” “us,” or “our”) and you are preparing to enter into a Franchise Agreement for the operation of an EDIBLE ARRANGEMENTS® Business (the “Business”).

This Questionnaire’s purpose is to determine—before we and you move forward and sign a binding agreement—whether any statements or promises were made to you that we have not authorized and may be untrue, inaccurate, or misleading. Please review each of the following questions carefully and provide honest and complete responses to each question. In deciding whether to proceed with you, we are relying on the truthfulness of your answers. If any statements or promises were made to you that we have not authorized and may be untrue, inaccurate, or misleading, we would want the opportunity to correct them before you move forward with us.

1. Have you received and personally reviewed the Franchise Agreement and each rider, exhibit, and schedule attached to it? Yes \_\_\_ No \_\_\_
  
2. Do you understand all of the information contained in the Franchise Agreement and each rider, exhibit, and schedule attached to it? Yes \_\_\_ No \_\_\_

If no, what parts of the Franchise Agreement do you not understand? (Attach additional pages, if necessary)

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3. Have you received and personally reviewed the Franchise Disclosure Document we provided to you? Yes \_\_\_ No \_\_\_
  
4. Did you sign two Receipts for the Franchise Disclosure Document indicating the date on which you received it? Yes \_\_\_ No \_\_\_
  
5. Do you understand all of the information contained in the Franchise Disclosure Document? Yes \_\_\_ No \_\_\_

If no, what parts of the Franchise Disclosure Document do you not understand? (Attach additional pages, if necessary)

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6. Have you discussed with an attorney, accountant, or other professional advisor the benefits and risks of signing the Franchise Agreement and the prospect of operating an EDIBLE ARRANGEMENTS® Business? Yes \_\_\_ No \_\_\_
7. Regardless of whether you have spoken with an attorney, accountant, or other professional advisor, do you understand the risks? Yes \_\_\_ No \_\_\_
8. Do you understand that the success or failure of any franchise you acquire will depend in large part upon your skills and abilities, competition from other businesses, interest rates, inflation, labor and supply costs, lease terms, and other economic and business factors? Yes \_\_\_ No \_\_\_
9. Has any employee or other person speaking on our behalf made any statement or promise concerning the sales, revenue, profits, or operating costs of one or more EDIBLE ARRANGEMENTS® Businesses operated by us, our affiliates, or our franchisees that is contrary to, or different from, the information contained in the Franchise Disclosure Document? Yes \_\_\_ No \_\_\_
10. 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 your EDIBLE ARRANGEMENTS® Business that is contrary to, or different from, the information contained in the Franchise Disclosure Document? Yes \_\_\_ No \_\_\_
11. Has any employee or other person speaking on our behalf made any statement or promise regarding the costs you may incur in operating your EDIBLE ARRANGEMENTS® Business that is contrary to, or different from, the information contained in the Franchise Disclosure Document? Yes \_\_\_ No \_\_\_
12. Has any employee or other person speaking on our behalf made any statement or promise concerning the revenue, profits, operating costs, or likelihood of success that you should or might expect to achieve from operating the EDIBLE ARRANGEMENTS® Business that is contrary to, or different from, the information contained in the Franchise Disclosure Document? Yes \_\_\_ No \_\_\_
13. Has any employee or other person speaking on our behalf made any statement, promise, or agreement concerning advertising, marketing, training, support service, or assistance that we will furnish to you that is contrary to, or different from, the information contained in the Franchise Disclosure Document or Franchise Agreement? Yes \_\_\_ No \_\_\_
14. Has any employee or other person speaking on our behalf made any statement, promise, or agreement concerning any other aspect of our franchise offering, the operation of a Business, or your rights under the Franchise Agreement that is contrary to, or different from, the information contained in the Franchise Disclosure Document or the Franchise Agreement? Yes \_\_\_ No \_\_\_
15. Do you confirm that all of the information and materials you have given us in connection with your franchise application are complete, true, and accurate? Yes \_\_\_ No \_\_\_
16. Do you understand that, in the franchise relationship, (a) we and you will be independent contractors, (b) we will not exercise direct or indirect control over the Business's personnel except to the extent any indirect control is related to our legitimate interest in protecting the

quality of products, service, or the EDIBLE ARRANGEMENTS® brand, (c) we will not share or codetermine the terms and conditions of employment of the Business's employees or affect matters relating to the employment relationship between you and the Business's employees, (d) we will not be the employer or joint employer of the Business's employees, and (e) you are obligated to obtain an acknowledgment and confirmation from such employees that we, as the franchisor of EDIBLE ARRANGEMENTS® Businesses, are not their employer and do not engage in any employer-type activities for which only franchisees are responsible, such as employee selection, promotion, termination, hours worked, rates of pay, other benefits, work assigned, discipline, adjustment of grievances and complaints, and working conditions? Yes \_\_\_ No \_\_\_

17. If you have answered "Yes" to any of questions nine (9) through fourteen (14), please provide a full explanation of your answer in the following blank lines. (Attach additional pages, if necessary, and refer to them below.) If you have answered "No" to each of the foregoing questions, please leave the following lines blank.

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You understand that your answers are important to us and that we will rely on them. By signing this Questionnaire, you are representing that you have responded truthfully to the above questions.

You acknowledge that one or more other copies of this Questionnaire have been reviewed and signed by the owners of your proposed business entity.

FRANCHISE APPLICANT

\_\_\_\_\_  
[Insert name of Franchise Applicant]

By: \_\_\_\_\_  
[Name of Person signing on behalf of Franchise Applicant]

Its: \_\_\_\_\_  
[Title of Person signing on behalf of Franchise Applicant]

OWNER(S) OF FRANCHISE APPLICANT

\_\_\_\_\_  
[Insert name of Owner]

\_\_\_\_\_  
[Signature of Owner]

**EXHIBIT I**

**NETSOLACE, LLC SOFTWARE LICENSE AND MAINTENANCE AGREEMENT**

# Software License and Maintenance Agreement

**PLEASE READ THIS SOFTWARE LICENSE AND MAINTENANCE AGREEMENT (“AGREEMENT”) CAREFULLY BEFORE USING THE CORRESPONDING SOFTWARE BEING PROVIDED BY NETSOLACE, LLC (“NETSOLACE”). BY USING THE LICENSED SOFTWARE, YOU ARE AGREEING TO BE BOUND BY THE TERMS OF THIS AGREEMENT. IF YOU DO NOT AGREE TO THE TERMS OF THIS AGREEMENT, CLICK “DISAGREE/DECLINE” AND DO NOT USE THE SOFTWARE.**

By clicking “AGREE/ACCEPT”, You agree as follows:

**1. Definitions.** For purposes of this Agreement, the following terms shall have the meaning set forth below:

1.1 "Agreement" means this Software License and Maintenance Agreement and any applicable Purchase Orders hereto subsequently submitted by You to Netsolace.

1.2 "Confidential Information" means the information of Netsolace which is disclosed to the You pursuant to this Agreement. Confidential Information includes, without limitation, this Agreement, the Licensed Software, the Documentation, and all non-public know-how, inventions, techniques, processes, algorithms, software programs, schematics, designs, contracts, customer lists, financial information, and product plans.

1.3 "Documentation" means the technical documentation and any end-user instructions including all updates and versions thereof associated with the Licensed Software whether in the form of printed materials, magnetic media or machine-readable format.

1.4 "Error" means non-conformance with the Documentation.

1.5 "Intellectual Property" means all intellectual property rights, including, without limitation, copyrights, patents, trade secrets, service marks, trademarks and other proprietary rights that are embodied in or used in connection with the Licensed Software and/or Documentation.

1.6 "Licensed Software" means the machine-readable, compiled object code format of the Netsolace software and any Third Party Software integrated by Netsolace.

1.7 "Site" means the physical location(s) at which You may use the Licensed Software.

1.8 "Purchase Order" means an order for products, software or services placed by You.

1.9 "Third Party Hardware" means the hardware (and any related software embedded in or distributed with the hardware by the manufacturer of such hardware) owned by third parties resold and/or delivered by Netsolace to You.

1.10 "Third Party Software" means the software, in machine-readable, compiled object code format only, owned by third parties, sublicensed by Netsolace to You and interfaced by Netsolace into the Licensed Software.

## 2. License

2.1 License Grant. Subject to the terms and conditions of this Agreement and all Third Party Software licenses, Netsolace hereby grants You a limited, non-exclusive, nontransferable license to use the Licensed Software and Documentation at the Site solely for Your own internal franchise processing operations. Netsolace hereby grants You the right to make such copies of the Documentation as are reasonably necessary for Your internal use of the Licensed Software.

2.2 License Restrictions. You shall not:

- a. Decompile, disassemble, interpret, reverse engineer, translate, or otherwise determine or attempt to determine any source code, algorithms, or underlying ideas of the Licensed Software or any portion thereof;
- b. Remove or modify any markings, identification, copyright or other notices;
- c. Sublicense, provide, lease, lend, use for timesharing or service bureau purposes or allow others to use the Licensed Software or Documentation to or for the benefit of third parties;
- d. Modify, change, incorporate into other software, create any databases other than as permitted herein, or create a derivative work of any part of the Licensed Software or Documentation;
- e. Load or use the Licensed Software at any location other than at the Site;
- f. Disclose results of any performance information, analysis or program benchmark tests; or
- g. Make the Licensed Software or Documentation available in any manner to any third party.

2.3 No Other Licenses. Except as specifically granted in this Section 2.0, no license or other right is granted, either directly or indirectly, by implication, estoppel or otherwise, to You.

2.4 Third Party Products.

2.4.1 Third Party Software. This Agreement requires that You use certain Third Party Software. You agree to be bound to all licenses, obligations, restrictions and limitations required or mandated by any Third Party Software vendors.

2.4.2 Third Party Hardware. You acknowledge and agree that Third Party Hardware purchased by You under this Agreement have been purchased from various manufacturers for resale and/or sublicense, as applicable, to You. All Third Party Hardware warranties, if any, other than warranty of title to any Third Party Hardware including, without limitation, warranties with respect to materials, workmanship, capability, patent rights are made by such manufacturers and not by Netsolace and You shall look solely to such manufacturers for any remedies under such warranties. Netsolace will arrange for delivery of any Third Party Hardware to Your Site. You agree to pay all reasonable delivery and insurance charges for any Third Party Hardware. Delivery schedules may not be canceled, postponed or changed without Netsolace's prior written consent. Title to and risk of loss in the Third Party Hardware shall remain vested in Netsolace until delivery to You. Upon delivery of the Third Party Hardware to You, title to and risk of loss in the Third Party Hardware shall pass to You.

2.5 Intellectual Property. You acknowledge and agree that the Intellectual Property is exclusively owned by and reserved to Netsolace. You will neither acquire nor assert any ownership or other proprietary rights in the Intellectual Property or in any derivation, adaptation, variation or name thereof. You agree that Netsolace will retain all right, title and interest in the Intellectual Property.

### **3. Fees; Payment**

3.1 License Fees. In consideration for the licenses granted to You in this Agreement, You shall pay to Netsolace a license fee for the Netsolace Software (the "License Fees"). License Fees are due and payable in full prior to implementation of the Licensed Software.

3.2 Monthly Support Fee. You shall pay to Netsolace a monthly Troubleshooting and Technology Support fee in the amount of One Hundred Sixty Five (\$165) dollars, (the "Monthly Support Fee"). After the first year of this Agreement, the Monthly Support Fee shall be calculated each year thereafter using Netsolace's Monthly Support Fee in effect at that time. The Monthly Support Fee is due and payable prior to implementation of the Licensed Software and then every year thereafter on the annual anniversary of the initial Purchase Order.

3.3 Third Party Software Fee Changes. Any fees for Third Party Software licensed through Netsolace are subject to change without prior notice based on the fee that Netsolace is charged by such vendors for such products.

3.4 Taxes. You agree to pay all taxes levied by a duly constituted taxing authority against or upon the products and services provided pursuant to this Agreement, or arising out of this Agreement, exclusive, however, of taxes based on Netsolace's income, which taxes will be paid by Netsolace regardless of whether such taxes become due or payable at the time of delivery or use of the Licensed Software or subsequent thereto. You agree to pay any tax for which it is responsible hereunder, which may be levied on or assessed against You directly, and, if any such tax is paid by Netsolace, to reimburse Netsolace therefor, upon receipt of proof of payment reasonably acceptable to You. You agree to indemnify and hold Netsolace harmless from any such taxes or duties which any federal, state or local taxing authority requires Netsolace to pay on behalf of You.

3.5 Additional Fees. If you buy an operating EDIBLE ARRANGEMENTS® business from an existing franchisee, you shall pay to Netsolace a fee of One Thousand Two Hundred (\$1200) dollars for services provided to you in connection with setup of the transferred account.

3.6 Payment: Late Fees. All License Fees, Monthly Support Fees, Professional Services Fees, or any other payments due to Netsolace hereunder including, without limitation, any payments due to Netsolace for any additional services or products requested by You are due and payable either in accordance with this Agreement or upon receipt of Netsolace's invoice, as the case may be. Any amounts not paid in accordance with this Agreement or within thirty (30) days of the date on Netsolace's invoice, as the case may be, shall bear interest at the rate of one and one-half percent (1.5%) per month from the due date (or the maximum permissible by law if less than one and one-half percent (1.5%) per month). All amounts payable to Netsolace hereunder are payable in full in United States Dollars without deduction or set off, and shall be in addition to all sales, use or other taxes or duties, which are also Your responsibility.

## **4. Terms and Termination**

4.1 Term. This License is effective until terminated. Your rights under this License will terminate automatically without notice from Netsolace if you fail to comply with any term(s) of this License. Upon the termination of this License, you shall cease all use of the Netsolace Software and destroy all copies, full or partial, of the Netsolace Software.

4.2 Termination. The following termination rights are in addition to any termination rights provided elsewhere in this Agreement and without prejudice to any other right or remedy available to Netsolace or You at law or in equity:

4.2.1 Nonpayment. Netsolace may terminate this Agreement and all licenses granted hereunder upon notice to You in the event that You fails to make full payment when due on any invoice issued by Netsolace after ten (10) calendar days written notice of such failure to pay.

4.2.2 Other Material Breach. In addition to any other rights of termination set forth herein, this Agreement may be terminated immediately by Netsolace upon written notice to You in the event of a breach of a material provision of this Agreement.

4.2.3 Termination for Bankruptcy. Netsolace will each have the right, at its option, to terminate this Agreement by written notice in the event of the other party's: (i) assignment by the benefit of creditors; (ii) admitted insolvency; (iii) dissolution or loss of charter; (iv) being adjudged bankrupt or insolvent by a court of competent jurisdiction; (v) having an appointment of a trustee or receiver for of its assets or any substantial part thereof; (vi) filing of a

voluntary petition under any bankruptcy or other similar law providing for its reorganization, dissolution or liquidation; or (vii) consent to the appointment of a receiver or a trustee for itself or its assets or any substantial part thereof.

4.3 In the event of the cancellation, completion, expiration or termination of this Agreement, all monies paid or due or owing to Netsolace by You shall be deemed non-refundable.

4.4 Effect of Termination. Cancellation, completion, expiration or termination of this Agreement and/or any subsequent Purchase Order shall not limit Netsolace from pursuing any other remedies available to it, including injunctive relief, nor shall it relieve You of your obligations to pay all monies due or owing to Netsolace that accrued under this Agreement.

## 5. Confidentiality

5.1 Obligations. You agree, unless required by law, not to make Netsolace's Confidential Information available in any form to any third party for any purpose. You agree to take all reasonable steps to ensure that Confidential Information is not disclosed or distributed by Your employees or agents in violation of the terms of this Agreement. Confidential Information or Customer Information does not include information that: (a) is or becomes a part of the public domain through no act or omission of the receiving party; (b) was in the other party's lawful possession prior to the disclosure and had not been obtained by the other party either directly or indirectly from the disclosing party; (c) is lawfully disclosed to the receiving party by a third party without restriction or obligation to the disclosing party to maintain the confidentiality of such information; or (d) is independently developed by the other party. You recognize and agree that there is no adequate remedy at law for a breach of the provisions of this Section 5, that such a breach would irreparably harm Netsolace and that Netsolace is entitled to equitable relief (including, without limitation, an injunction) with respect to any such breach or potential breach in addition to any other remedies available to it at law or in equity.

## 6. Support Services

6.1 Technical Support. Netsolace agrees to provide the following support services (the "Support Services") to You during the period in which You have paid the Monthly Support Fee to Netsolace. Netsolace shall have no obligation to perform Support Services to the extent due to anyone or more of the following: (a) Your willful abuse or willful misapplication of the Licensed Software; (b) use of the Licensed Software in conjunction with hardware that is incompatible with the Licensed Software; (c) Your failure to promptly implement any Licensed Software updates and to properly or timely update its Third Party Software as required by Netsolace; (d) use of hardware by You that has a detrimental effect on the operation of the Licensed Software; (e) alteration, damage or modification of the Licensed Software; (f) Your failure to timely pay Monthly Support Fees to Netsolace; or (g) the cancellation, completion, expiration or termination of this Agreement.

6.1.1 Licensed Software Support. Netsolace will offer support to You concerning the installation and use of the then-current release of the Licensed Software. Support is provided by telephone, electronic mail and web site and consists of the following: (a) questions pertaining to Licensed Software functionality; and (b) research and resolution of system bugs. You will be billed for training of its personnel in addition to the Monthly Support Fees when Your support questions, in Netsolace's reasonable judgment, involve training Your personnel on the use of the Licensed Software or its functionality.

6.1.2 Product Updates. Product updates of the Licensed Software will consist of modifications, updates and enhancements that Netsolace, in its sole discretion, makes generally available to its client base. You agree to promptly implement all product updates received from Netsolace and to update all Third Party Software pursuant to such Third Party Software vendors. Upon receipt, product updates and modifications will be deemed Licensed Software.

6.1.3 Remote Support. Netsolace may provide certain support services using a remote on-line

connection to Your computer equipment. You agree to assist Netsolace in establishing and maintaining a remote on-line connection including, without limitation, the costs of telecommunication to connect You and Netsolace. In the event that the remote on-line connection is not available to Netsolace and Netsolace personnel have to visit Your facility to perform support services that could otherwise have been provided via the remote on-line connection then You agree to pay the following charges in addition to the Monthly Support Fee: (a) a per diem charge for all additional support services at Netsolace's fees in effect at that time, (b) to reimburse Netsolace for all expenses incurred by Netsolace.

6.1.4 Billable Support. In addition to the Monthly Support Fee, You agree to pay Netsolace a fee(s) for support in the following instances: (a) disaster recovery testing support; (b) disaster recovery support due to hardware, software or user error; (c) disaster recovery support due to Your failure to upgrade or update the Licensed Software or any Third Party Software; (d) support for You personnel who have not been previously trained on the Licensed Software; (e) installation of any product updates; and (f) support services for the Licensed Software which has malfunctioned as a result of any of the causes described in Section 6.1 of this Agreement. Netsolace's fees for such support will be calculated on a time and materials basis using Netsolace's billing rates in effect at that time plus Netsolace's costs. Netsolace's invoices for such services are due upon receipt.

6.2 Error Correction. Netsolace will make reasonable efforts to resolve reported problems based on priority and the impact of the error. Upon Your notification to Netsolace of a problem, Netsolace will investigate such problem to determine the nature and origin of such problem and upon completion of such investigation. Netsolace will make reasonable efforts to correct any Error in the Licensed Software reported by You. In the event that any reported problem is not caused by an error in the Licensed Software, You will pay Netsolace a fee for all work performed to diagnose and determine the cause of the problem in addition to reimbursing Netsolace for any expenses incurred by Netsolace. The fee will be calculated on a time and materials basis using Netsolace's billing rates in effect at that time plus Netsolace's costs. Netsolace's invoices for such services are due upon receipt.

6.3 Support for Third Party Software. You are responsible for the update and upgrade of any Third Party Software.

## **7. Representations, Warranties and Disclaimers**

7.1 Netsolace Warranty. Netsolace warrants and represents to You that the Licensed Software will perform on an appropriately configured computer substantially in accordance with the then-current Documentation and that Netsolace has the full power and authority to enter into this Agreement, to carry out its obligations under this Agreement and to grant the rights and licenses granted to You in this Agreement.

7.2 Your Warranty. You warrant and represent that You have the full power and authority to enter into this Agreement, to carry out Your obligations under this Agreement and upon your acceptance of this Agreement, this Agreement shall be Your legal, valid, binding and enforceable obligation.

### **7.3 DISCLAIMERS**

7.3.1 GENERAL. THE WARRANTY SET FORTH IN SECTION 7.1 IS A LIMITED WARRANTY AND IT IS THE ONLY WARRANTY MADE BY NETSOLACE. NETSOLACE EXPRESSLY DISCLAIMS, AND YOU HEREBY EXPRESSLY WAIVE, ALL OTHER WARRANTIES OR REPRESENTATIONS, EXPRESS OR IMPLIED, INCLUDING, WITHOUT LIMITATION, WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE AND IMPLIED WARRANTIES ARISING FROM COURSE OF DEALING OR COURSE OF PERFORMANCE. NETSOLACE DOES NOT WARRANT AND SPECIFICALLY DISCLAIMS ANY REPRESENTATIONS THAT THE LICENSED SOFTWARE WILL MEET YOUR REQUIREMENTS OR THAT THE OPERATION OF THE LICENSED SOFTWARE AND/OR ITS USE WILL BE UNINTERRUPTED OR ERROR-FREE, OR THAT EVERY DEFECT IN THE LICENSED SOFTWARE, IF ANY, WILL BE CORRECTED.



7.3.2 THIRD PARTY SOFTWARE DISCLAIMER. NETSOLACE MAKES NO WARRANTIES OR REPRESENTATIONS, EXPRESS OR IMPLIED, AS TO THE THIRD PARTY SOFTWARE INCLUDING, WITHOUT LIMITATION, QUALITY, CAPABILITIES, OPERATIONS, PERFORMANCE OR SUITABILITY OF ANY THIRD PARTY SOFTWARE. THIRD PARTY SOFTWARE PROVIDED UNDER THIS AGREEMENT IS EXPRESSLY PROVIDED "AS IS."

7.3.3 THIRD PARTY HARDWARE DISCLAIMER. NETSOLACE MAKES NO WARRANTIES OR REPRESENTATIONS OTHER THAN WARRANTY OF TITLE TO ANY THIRD PARTY HARDWARE, EXPRESS OR IMPLIED, AND SUCH WARRANTY IS MADE EXPRESSLY IN LIEU OF ANY AND ALL EXPRESS OR IMPLIED WARRANTIES TO CLIENT INCLUDING, WITHOUT LIMITATION, ANY AND ALL IMPLIED WARRANTIES OR MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, OR NON-INFRINGEMENT AND ALL SUCH OTHER WARRANTIES ARE HEREBY EXPRESSLY DISCLAIMED.

## **8. Indemnification**

8.1 Indemnification by You. You agree to indemnify, defend and hold harmless Netsolace and its officers, directors, employees, distributors, agents, licensors, successors and assigns from and against any and all loss, damage, settlement or expense (including reasonable legal expenses), as incurred, resulting from or arising out of Your activities under this Agreement, including but not limited to, Your failure to comply with all applicable regulations or laws, whether actual or alleged; provided that Netsolace (i) promptly notifies You, in writing, of any notice of which it becomes aware; and (ii) permits You to control, the defense, settlement, adjustment or compromise of any such claim. Netsolace may employ counsel, at its own expense (provided that if such counsel is necessary because You do not assume control, You shall bear such expense), to assist it with respect to any such claim. Netsolace shall have no authority to settle any claim subject to this Section on behalf of You.

## **9. Limitation of Liability**

9.1 IN NO EVENT SHALL NETSOLACE'S LIABILITY ARISING OUT OF THIS AGREEMENT EXCEED THE AMOUNTS ACTUALLY PAID BY CLIENT TO NETSOLACE PURSUANT TO THIS AGREEMENT. IN NO EVENT SHALL NETSOLACE HAVE ANY LIABILITY FOR ANY INDIRECT, INCIDENTAL, SPECIAL, CONSEQUENTIAL, COST OF COVER, PUNITIVE OR EXEMPLARY DAMAGES, HOWEVER CAUSED AND ON ANY THEORY OF LIABILITY, ARISING OUT OF THIS AGREEMENT, INCLUDING BUT NOT LIMITED TO LOSS OF BUSINESS, REVENUE OR ANTICIPATED PROFITS, EVEN IF CLIENT HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. THESE LIMITATIONS SHALL APPLY NOTWITHSTANDING ANY FAILURE OF ESSENTIAL PURPOSE OF ANY LIMITED REMEDY.

## **10. General Provisions**

10.1 Complete Agreement. This Agreement is intended as the complete, final and exclusive statement of the terms of the agreement between the parties regarding the subject matter hereof and supersedes any and all other prior or contemporaneous agreements or understandings, whether written or oral, between them relating to the subject matter hereof. No amendment to, or modification of, this Agreement shall be binding unless in writing and signed by a duly authorized representative of both parties. Each party expressly acknowledges that there are no warranties, representations, covenants or understandings of any kind, manner or description whatsoever by either party to the other except as expressly set forth in this Agreement. The terms and conditions contained in this Agreement shall have precedence over any conflicting terms or conditions contained in any Subsequent Purchase Order issued by the You, or any acknowledgement issued by Netsolace, except as to terms and conditions which are mutually agreed to by the You and Netsolace either (i) in a jointly executed writing, or (ii) in separately issued or executed documents to the extent of the common and non-conflicting terms and conditions only.

10.2 PCI Compliance. (a) In the event You engage in payment card transactions as part of your operations, You shall comply with the Payment Card Industry Data Security Standards (“PCI DSS”) and any amendments or restatements of the PCI DSS during the term of this Agreement. You accept responsibility for the security of customer credit card data in your possession, even if all or a portion of the such payment card transactions are subcontracted to a third party vendor. At Netsolace’s request, You shall report in writing to Netsolace, proof of such compliance with the PCI DSS. If You become aware that You or Your service provider is not, or will not likely be, in compliance with PCI DSS for any reason, You must promptly report in writing to Netsolace the non-compliance or likely non-compliance.

(b) Netsolace represents to You that it will comply and keep cardholder data secure in accordance with all applicable PCI DSS requirements to the extent Netsolace possesses or otherwise stores, processes, or transmits cardholder data on Your behalf, or to the extent Netsolace may impact the security of Your cardholder data.

10.3 No Waiver. Failure by either party to enforce any provision of this Agreement will not be deemed a waiver of future enforcement of that, or any other, provision. Any waiver by either party of its rights under this Agreement must be in writing and signed by a duly authorized officer of the waiving party.

10.4 Assignment. You may not assign this Agreement or any right, interest or benefit under this Agreement without the prior written consent of Netsolace's duly authorized representative. Subject to the foregoing, this Agreement and any rights, interests or benefits shall be fully binding upon, inure to the benefit of and be enforceable by the parties hereto and their respective successors and permitted assigns. Any attempted assignment in violation of the provisions of this Section 10.3 shall be void.

10.5 Construction. The language of all parts of this Agreement will in all cases be construed as a whole, according to its fair meaning and not strictly for or against any of the parties. Headings of paragraphs herein are for convenience of reference only and are without substantive significance.

10.6 Severability. In the event that any provision of this Agreement conflicts with the law under which this Agreement is to be construed or if any such provision is held illegal, invalid or unenforceable by a court of competent jurisdiction (a) such provision shall be deemed to be restated to reflect as nearly as possible the original intentions of the parties in accordance with applicable law, and (b) the remaining terms, provisions, covenants and restrictions of this Agreement shall remain in full force and effect.

10.7 Relationship of Parties. The parties hereto expressly understand and agree that each party is an independent contractor in the performance of each and every part of this Agreement, is solely responsible for all of its employees and agents and its labor costs and expenses arising in connection therewith.

10.8 No Third Party Beneficiaries. This Agreement is made for the benefit of Netsolace and You and not for the benefit of any third parties.

10.9 Governing Law; Attorney Fees. This Agreement, and any disputes arising hereunder, shall be governed, interpreted, construed and enforced in all respects in accordance with the laws of the State of Connecticut except for its conflicts of laws rules. You agree that all actions arising under the agreement or otherwise as a result of the relationship between you and Netsolace must be commenced in a court of general jurisdiction in Connecticut, and you irrevocably submit to the jurisdiction of that court and waive any objection You might have to either the jurisdiction of or venue of that court. The prevailing party in any action to enforce this Agreement will be entitled to recover its costs and expenses including, without limitation, reasonable attorneys' fees.

10.10 Force Majeure. Netsolace shall not be liable hereunder by reason of any failure or delay in the performance of its obligations hereunder during any event of force majeure or due to any reason beyond its reasonable control.

10.11 Survival of Obligations. Sections 1, 2 (other than Section 2.1),3,4,3,5,7,8,9, and 10 shall survive the cancellation, completion, expiration or termination of this Agreement.

10.12 Export Control. You may not use or otherwise export or reexport the Netsolace Software except as authorized by United States law and the laws of the jurisdiction in which the Netsolace Software was obtained. In particular,

but without limitation, the Netsolace Software may not be exported or re-exported (a) into any U.S. embargoed countries or (b) to anyone on the U.S. Treasury Department's list of Specially Designated Nationals or the U.S. Department of Commerce Denied Person's List or Entity List. By using the Netsolace Software, you represent and warrant that you are not located in any such country or on any such list. You also agree that you will not use these products for any purposes prohibited by United States law, including, without limitation, the development, design, manufacture or production of missiles, and nuclear, chemical or biological weapons.

**EXHIBIT J**

**FORM OF GENERAL RELEASE**

**EDIBLE ARRANGEMENTS, LLC**

**GRANT OF FRANCHISOR CONSENT AND FRANCHISEE RELEASE**

**Edible Arrangements, LLC** (“we,” “us,” or “our”) and the undersigned franchisee, \_\_\_\_\_ (“you” or “your”), currently are parties to a certain Franchise Agreement (the “Franchise Agreement”) dated \_\_\_\_\_. You have asked us to take the following action or to agree to the following request: [insert as appropriate for renewal or transfer situation]\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_. We have the right under the Franchise Agreement to obtain a general release from you (and, if applicable, your owners) as a condition of taking this action or agreeing to this request. Therefore, we are willing to take the action or agree to the request specified above if you (and, if applicable, your owners) give us the release and covenant not to sue provided below in this document. You (and, if applicable, your owners) are willing to give us the release and covenant not to sue provided below as partial consideration for our willingness to take the action or agree to the request described above.

Consistent with the previous introduction, you, on your own behalf and on behalf of your successors, heirs, executors, administrators, personal representatives, agents, assigns, partners, shareholders, members, directors, officers, principals, employees, and affiliated entities (collectively, the "Releasing Parties"), hereby forever release and discharge us and our affiliates, and our and their current and former officers, directors, shareholders, principals, agents, representatives, employees, successors, and assigns (collectively, the "Edible Parties"), from any and all claims, damages, demands, debts, causes of action, suits, duties, liabilities, costs, and expenses of any nature and kind, whether presently known or unknown, vested or contingent, suspected or unsuspected (all such matters, collectively, "Claims") that you and any other Releasing Party now have, ever had, or, but for this document, hereafter would or could have against any Edible Party (1) arising out of or related in any way to the Releasing Parties' rights or the Edible Parties' obligations under the Franchise Agreement before the dates of the signatures below or (2) otherwise arising out of or related in any way to your and the other Releasing Parties' relationship, from the beginning of time to the dates of the signatures below, with any Edible Party. You, on your own behalf and on behalf of the other Releasing Parties, further covenant not to sue any of the Edible Parties on any of the Claims released by this paragraph and represent that you have not assigned any of the Claims released by this paragraph to any individual or entity who is not bound by this paragraph.

We also are entitled to a release and covenant not to sue from your owners. By his, her, or their separate signatures below, your owners likewise grant to us the release and covenant not to sue provided above.

[NOTE: The following language in brackets and bold type applies only when the franchisee operates in California or California law is deemed to apply. Remove the language in all other circumstances.]

**[Each of the parties granting a release acknowledges a familiarity with Section 1542 of the Civil Code of the State of California, which provides as follows:**

**“A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release and that, if known by him or her, would have materially affected his or her settlement with the debtor or released party.”**

**Each party granting a release and its authorized signatories hereto recognize that he, she, or it may have some claim, demand, or cause of action against the released parties of which he, she, or it is unaware and unsuspecting, and which he, she, or it is giving up by signing this Addendum. Each party granting a release and its authorized signatories hereby waive and relinquish every right or benefit which he, she, or it has under Section 1542 of the Civil Code of the State of California, and any similar statute under any other state or federal law, to the fullest extent that such right or benefit may lawfully be waived.]**

[This General Release will not apply to claims arising under the Maryland Franchise Registration and Disclosure Law to the extent prohibited by such law.]

**EDIBLE ARRANGEMENTS, LLC**

\_\_\_\_\_  
[Name of Franchisee]

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

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

Title: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

\_\_\_\_\_  
[Name of Owner]

\_\_\_\_\_  
[Signature]

Date: \_\_\_\_\_

**EXHIBIT K**

**RENEWAL RIDERS TO FRANCHISE AGREEMENT**

**RENEWAL RIDER TO EDIBLE ARRANGEMENTS, LLC**  
**FRANCHISE AGREEMENT FOR [[NAME OF FRANCHISEE]]**

**THIS RENEWAL RIDER TO FRANCHISE AGREEMENT** (the “Rider”) is made and entered into by and between **EDIBLE ARRANGEMENTS, LLC**, a Delaware limited liability company with its principal business address at 980 Hammond Drive, Suite 1000, Atlanta, Georgia 30328 (“we,” “us,” or “our”), and **[[NAME OF FRANCHISEE]]**, a **[[STATE OF ORGANIZATION]][[TYPE OF COMPANY]]**, with its principal business address at **[[FRANCHISEE ADDRESS]]** (“you” or “your”). This Rider will be effective as of **[[EFFECTIVE DATE OF RIDER]]** (the “Effective Date,” regardless of the dates of the parties’ signatures).

1. **Preambles and Acknowledgments.** Simultaneously with signing this Rider, we and you are signing a Franchise Agreement (the “Successor Franchise Agreement”) to govern your continued operation of an EDIBLE® Business (the “Franchised Business”). The Franchised Business currently operates from a store located at **[[STORE ADDRESS]]** (the “Store Location”). (All initial capitalized terms used but not defined in this Rider have the meanings given to them in the Successor Franchise Agreement). We and you acknowledge that the Successor Franchise Agreement is the successor to the franchise agreement dated as of **[[EFFECTIVE DATE OF ORIGINAL FRANCHISE AGREEMENT]]** (the “Expiring Franchise Agreement”), under which you operated the Franchised Business during the initial term stated in the Expiring Franchise Agreement. We and you further acknowledge that the Expiring Franchise Agreement expires by its terms on **[[EXPIRATION DATE]]**. We and you acknowledge that nothing in this Rider modifies any obligation that you have under the Expiring Franchise Agreement, including, without limitation, the transfer and REMAP fees due pursuant to Section 2.B. as a condition to renewal. Subject to your compliance with certain renewal conditions specified in the Expiring Franchise Agreement (as well as your compliance with the Successor Franchise Agreement), you have the right to continue operating the Franchised Business during a successor franchise term. We and you are signing this Rider to modify certain provisions of the Successor Franchise Agreement to reflect that (a) the Successor Franchise Agreement is a successor to the Expiring Franchise Agreement and intended to govern our and your relationship during the successor franchise term, and (b) certain provisions of the Successor Franchise Agreement do not apply to your operation of the Franchised Business during its term.

2. **Effectiveness of Successor Franchise Agreement.** The Successor Franchise Agreement’s term commences on the Effective Date. You will have no further rights under the Expiring Franchise Agreement as of the Effective Date.

3. **Initial Franchise Fee.** Subsection 9.A. of the Successor Franchise Agreement is deleted.

4. **Development and Opening.** Section 3 of the Successor Franchise Agreement is deleted.

5. **Term of Franchise.** (a) Section 2.A. of the Successor Franchise Agreement is amended to read as follows:

This Agreement shall be effective and binding from the Effective Date for a term equal to ten (10) years. Franchisee agrees to operate the Franchised Business in compliance with this Agreement for the entire term unless this Agreement is properly terminated



under Section 18. Franchisee has no right to acquire, and EA has no obligation to grant, another renewal franchise or otherwise to extend the Franchise when this Agreement expires. When this Agreement expires, Franchisee shall be required to cease operating the Franchised Business and perform all post-termination obligations pursuant to Section 19.

(b) Section 2.B. of the Successor Franchise Agreement is hereby deleted in its entirety.

6. **Training.** Section 6.A. of the Successor Franchise Agreement relating solely to the initial training program is deleted.

7. **Grand Opening Advertising and Marketing.** Subsection 9.G. of the Successor Franchise Agreement is deleted.

8. **Termination—By EA**

(a) Subsection 17.B.(2) of the Successor Franchise Agreement is deleted.

(b) Subsection 17.B.(3) of the Successor Franchise Agreement is deleted.

9. **Release.** In compliance with the renewal conditions in the Expiring Franchise Agreement and as consideration for our granting you the rights under the Successor Franchise Agreement, you, on your own behalf and on behalf of your affiliates and your and their respective successors, heirs, executors, administrators, personal representatives, agents, assigns, partners, owners, members, directors, officers, principals, and employees (collectively, the “Releasing Parties”), hereby forever release and discharge us and our affiliates, and our and their respective current and former officers, directors, owners, principals, employees, agents, representatives, successors, and assigns (collectively, the “Released Parties”), from any and all claims, damages (known and unknown), demands, causes of action, suits, duties, liabilities, and agreements of any nature and kind, vested or contingent (for purposes of this Section 9, collectively, “Claims”), that you and any of the other Releasing Parties now have, ever had, or, but for this release, hereafter would or could have against any of the Released Parties (a) arising out of or related to the Released Parties’ grant of the franchise rights under the Expiring Franchise Agreement, (b) arising out of or related to the Released Parties’ performance of obligations, or failure to perform obligations, under the Expiring Franchise Agreement, and (c) otherwise arising from or related in any way to your and the other Releasing Parties’ relationship, from the beginning of time to the Effective Date, with any of the Released Parties with respect to the Franchised Business under the Expiring Franchise Agreement.

You, on your own behalf and on behalf of the other Releasing Parties, further covenant not to sue any of the Released Parties on any of the Claims released by the preceding paragraph and represent that you have not assigned any such Claims to any individual or entity who is not bound by the preceding paragraph.

**IN WITNESS WHEREOF**, the parties have executed and delivered this Rider on the dates noted below, but to be effective as of the Effective Date.

**EDIBLE ARRANGEMENTS, LLC:**

By: \_\_\_\_\_ Title: \_\_\_\_\_ Date: \_\_\_\_\_

**FRANCHISEE: [[NAME OF FRANCHISEE]]**

By: \_\_\_\_\_ Title: \_\_\_\_\_ Date: \_\_\_\_\_  
[[NAME OF OWNER]]

By: \_\_\_\_\_ Title: \_\_\_\_\_ Date: \_\_\_\_\_  
[[NAME OF OWNER]]

**RENEWAL RIDER TO EDIBLE ARRANGEMENTS, LLC**  
**FRANCHISE AGREEMENT FOR [NAME OF FRANCHISEE]**

**THIS RENEWAL RIDER TO FRANCHISE AGREEMENT** (the “Rider”) is made and entered into by and between **EDIBLE ARRANGEMENTS, LLC**, a Delaware limited liability company with its principal business address at 980 Hammond Drive, Suite 1000, Atlanta, Georgia 30328 (“we,” “us,” or “our”), and **[NAME OF FRANCHISEE]**, a [STATE OF ORGANIZATION] [TYPE OF COMPANY], with its principal business address at [STORE ADDRESS] (“you” or “your”). This Rider will be effective as of [EFFECTIVE DATE OF RIDER] (the “Effective Date,” regardless of the dates of the parties’ signatures).

1. **Preambles and Acknowledgments.** Simultaneously with signing this Rider, we and you are signing a Franchise Agreement (the “Successor Franchise Agreement”) to govern your continued operation of an EDIBLE® Business (the “Franchised Business”). The Franchised Business currently operates from a store located at [STORE ADDRESS] (the “Store Location”). (All initial capitalized terms used but not defined in this Rider have the meanings given to them in the Successor Franchise Agreement). We and you acknowledge that the Successor Franchise Agreement is the successor to the franchise agreement dated as of [[EFFECTIVE DATE OF ORIGINAL FRANCHISE AGREEMENT]] (the “Expiring Franchise Agreement”), under which you operated the Franchised Business during the initial term stated in the Expiring Franchise Agreement. We and you further acknowledge that the Expiring Franchise Agreement expires by its terms on [EXPIRATION DATE (DAY BEFORE RENEWAL DATE)]. We and you acknowledge that nothing in this Rider modifies any obligation that you have under the Expiring Franchise Agreement, including, without limitation, the transfer and REMAP fees due pursuant to Section 2.B. as a condition to renewal. Subject to your compliance with certain renewal conditions specified in the Expiring Franchise Agreement (as well as your compliance with the Successor Franchise Agreement), you have the right to continue operating the Franchised Business during a successor franchise term. We and you are signing this Rider to modify certain provisions of the Successor Franchise Agreement to reflect that (a) the Successor Franchise Agreement is a successor to the Expiring Franchise Agreement and intended to govern our and your relationship during the successor franchise term, (b) certain provisions of the Successor Franchise Agreement do not apply to your operation of the Franchised Business during its term, and (c) your right to operate the Franchised Business under the Successor Franchise Agreement for its entire term depends on your satisfying by a stated deadline certain remodeling/upgrading requirements for the Franchised Business at the Location (as set forth in Section 10 below).

2. **Effectiveness of Successor Franchise Agreement.** The Successor Franchise Agreement’s term commences on the Effective Date. You will have no further rights under the Expiring Franchise Agreement as of the Effective Date.

3. **Initial Franchise Fee.** Subsection 9.A. of the Successor Franchise Agreement is deleted.

4. **Development and Opening.** Section 3 of the Successor Franchise Agreement is deleted. However, you are required to comply with the obligations described in Section 9 of this Rider.

5. **Term of Franchise.** (a) Section 2.A. of the Successor Franchise Agreement is amended to read as follows:

This Agreement shall be effective and binding from the Effective Date for a term equal to ten (10) years. Franchisee agrees to operate the Franchised Business in compliance with this Agreement for the entire term unless this Agreement is properly terminated under Section 18. Franchisee has no right to acquire, and EA has no obligation to grant, another renewal franchise or otherwise to extend the Franchise when this Agreement expires.

When this Agreement expires, Franchisee shall be required to cease operating the Franchised Business and perform all post-termination obligations pursuant to Section 19.

(d) Section 2.B. of the Successor Franchise Agreement is hereby deleted in its entirety.

6. **Training.** Section 6.A. of the Successor Franchise Agreement relating solely to the initial training program is deleted.

7. **Grand Opening Advertising and Marketing.** Subsection 9.G. of the Successor Franchise Agreement is deleted.

8. **Termination—By EA**

- a. Subsection 17.B.(2) of the Successor Franchise Agreement is deleted.
- b. Subsection 17.B.(3) of the Successor Franchise Agreement is deleted.

9. **Remodeling/Upgrading Obligations of Franchisee.** Under Section 2.B.(3) of the Expiring Franchise Agreement, your right to renew the Franchise was conditioned on your bringing the Franchised Business, before the Expiring Franchise Agreement's expiration date, into full compliance with our current specifications and standards for EDIBLE® Businesses, including, but not limited to, a new equipment package and new décor and an upgraded point-of-sale and computer system. We and you acknowledge that certain Operating Assets of the Franchised Business do not meet our current specifications and standards for new EDIBLE® Businesses. Accordingly, you agree to make, at your sole expense, those upgrades to your Store Location to meet such specifications and standards (“Upgrades”). As of the Effective Date of this Rider, Upgrades must include, at a minimum, the purchase and installation of the items listed on Schedule A attached hereto (the “Upgrades Equipment”); however, you acknowledge and agree that the scope and nature of the Upgrades, including the Upgrades Equipment, are applicable only through 20\_\_\_\_ and are thereafter subject to change by EA at its sole discretion. By execution of this Rider, you represent you placed your orders for the Upgrades Equipment prior to the Effective Date of this Rider. All Upgrades are to be completed and/or installed not later than [INSERT DATE 90 DAYS AFTER EFFECTIVE DATE].

If you have not satisfied these conditions by [DATE 90 DAYS AFTER SIGNING], EA may (i) modify the scope and nature of Upgrades and Upgrade Equipment you are required to purchase and install at the Location; and/or (ii) terminate the Successor Franchise Agreement immediately due to your failure to satisfy an essential condition for the grant of the Successor Franchise Agreement, in which event, your right to operate the Franchised Business will immediately terminate, and all of your post-term obligations (and our post-term rights) stated in the Successor Franchise Agreement will apply.

10. **Release.** In compliance with the renewal conditions in the Expiring Franchise Agreement and as consideration for our granting you the rights under the Successor Franchise Agreement, as modified by this Rider, you, on your own behalf and on behalf of your affiliates and your and their respective successors, heirs, executors, administrators, personal representatives, agents, assigns, partners, owners, members, directors, officers, principals, and employees (collectively, the “Releasing Parties”), hereby forever release and discharge us and our affiliates, and our and their respective current and former officers,

directors, owners, principals, employees, agents, representatives, successors, and assigns (collectively, the “Released Parties”), from any and all claims, damages (known and unknown), demands, causes of action, suits, duties, liabilities, and agreements of any nature and kind, vested or contingent (for purposes of this Section 10, collectively, “Claims”), that you and any of the other Releasing Parties now have, ever had, or, but for this release, hereafter would or could have against any of the Released Parties (a) arising out of or related to the Released Parties’ grant of the franchise rights under the Expiring Franchise Agreement, (b) arising out of or related to the Released Parties’ performance of obligations, or alleged failure to perform obligations, under the Expiring Franchise Agreement, and (c) otherwise arising from or related in any way to your and the other Releasing Parties’ relationship, from the beginning of time to the Effective Date, with any of the Released Parties with respect to the Franchised Business under the Expiring Franchise Agreement.

You, on your own behalf and on behalf of the other Releasing Parties, further covenant not to sue any of the Released Parties on any of the Claims released by the preceding paragraph and represent that you have not assigned any such Claims to any individual or entity who is not bound by the preceding paragraph.

*[Balance of Page Left Intentionally Blank; Signature Page Follows]*

**IN WITNESS WHEREOF**, the parties have executed and delivered this Rider on the dates noted below, but to be effective as of the Effective Date.

**EDIBLE ARRANGEMENTS, LLC:**

By: \_\_\_\_\_ Title: \_\_\_\_\_ Date: \_\_\_\_\_

**FRANCHISEE: [NAME OF FRANCHISEE\_]**

By: \_\_\_\_\_ Title: \_\_\_\_\_ Date: \_\_\_\_\_  
[NAME OF OWNER]

By: \_\_\_\_\_ Title: \_\_\_\_\_ Date: \_\_\_\_\_  
[NAME OF OWNER]

**SCHEDULE A  
RENEWAL RIDER**

**TO EDIBLE ARRANGEMENTS, LLC  
FRANCHISE AGREEMENT FOR**

**STORE LOCATION**

**UPGRADES and UPGRADES EQUIPMENT**

The upgrades necessary bring the Franchised Business into full compliance with EA's current standards and specifications must be completed and/or installed on or before [Date 90 Days after Effective Date]. The scope and nature of the Upgrades and the Upgrades Equipment (including the costs listed below) are valid through \_\_\_\_\_, 20\_\_\_\_, and are thereafter subject to change by EA and/or its vendors, as applicable.

**RENEWAL RIDER TO EDIBLE ARRANGEMENTS, LLC  
FRANCHISE AGREEMENT FOR [[NAME OF FRANCHISEE]]**

**THIS RENEWAL RIDER TO FRANCHISE AGREEMENT** (the “Rider”) is made and entered into by and between **EDIBLE ARRANGEMENTS, LLC**, a Delaware limited liability company with its principal business address at 980 Hammond Drive, Suite 1000, Atlanta, Georgia 30328 (“we,” “us,” or “our”), and **[[NAME OF FRANCHISEE]]**, a **[[STATE OF ORGANIZATION]][[TYPE OF COMPANY]]**, with its principal business address at **[[FRANCHISEE ADDRESS]]** (“you” or “your”). This Rider will be effective as of **[[RENEWAL/EFFECTIVE DATE]]** (the “Effective Date,” regardless of the dates of the parties’ signatures).

1 **Preambles and Acknowledgments.** Simultaneously with signing this Rider, we and you are signing a Franchise Agreement (the “Successor Franchise Agreement”) to govern your continued operation of an EDIBLE® Business (the “Franchised Business”). The Franchised Business currently operates from a store located at **[[STORE ADDRESS]]** (the “Current Store Location”). (All initial capitalized terms used but not defined in this Rider have the meanings given to them in the Successor Franchise Agreement). We and you acknowledge that the Successor Franchise Agreement is the successor to the franchise agreement dated as of **[[EFFECTIVE DATE OF ORIGINAL FRANCHISE AGREEMENT]]** (the “Expiring Franchise Agreement”), under which you operated the Franchised Business during the initial term stated in the Expiring Franchise Agreement. We and you further acknowledge that the Expiring Franchise Agreement expires by its terms on **[[EXPIRATION DATE (DAY BEFORE RENEWAL DATE)]]**. We and you acknowledge that nothing in this Rider modifies any obligation that you have under the Expiring Franchise Agreement, including, without limitation, the transfer and REMAP fees due pursuant to Section 2.B. as a condition to renewal. Subject to your compliance with certain renewal conditions specified in the Expiring Franchise Agreement (as well as your compliance with the Successor Franchise Agreement), you have the right to continue operating the Franchised Business during a successor franchise term. We and you are signing this Rider to modify certain provisions of the Successor Franchise Agreement to reflect that (a) the Successor Franchise Agreement is a successor to the Expiring Franchise Agreement and intended to govern our and your relationship during the successor franchise term, (b) certain provisions of the Successor Franchise Agreement do not apply to your operation of the Franchised Business during its term, and (c) your right to operate the Franchised Business under the Successor Franchise Agreement for its entire term depends on your (i) satisfying by a stated deadline certain interim remodeling/upgrading requirements for the Franchised Business at the Current Store Location and (ii) relocating the Franchised Business to a new location within the **[[CURRENT STORE’S ZIP CODE]]** zip code that satisfies in all respects our current requirements for franchised EDIBLE® Businesses (the “New Store Location”) by a stated deadline and then operating the Franchised Business from the New Store Location in compliance with the Successor Franchise Agreement (as set forth in Section 10 below).

2 **Effectiveness of Successor Franchise Agreement.** The Successor Franchise Agreement’s term commences on the Effective Date. You will have no further rights under the Expiring Franchise Agreement as of the Effective Date.

3 **Initial Franchise Fee.** Subsection 9.A. of the Successor Franchise Agreement is deleted.



4. **Site Selection.** The timeframes in Subsection 3.A. of the Successor Franchise Agreement are deleted and replaced by the obligations imposed upon you in Section 9 of this Rider.

5. **Term of Franchise.** (a) Section 2.A. of the Successor Franchise Agreement is amended to read as follows:

This Agreement shall be effective and binding from the Effective Date for a term equal to ten (10) years. Franchisee agrees to operate the Franchised Business in compliance with this Agreement for the entire term unless this Agreement is properly terminated under Section 18. Franchisee has no right to acquire, and EA has no obligation to grant, another renewal franchise or otherwise to extend the Franchise when this Agreement expires.

When this Agreement expires, Franchisee shall be required to cease operating the Franchised Business and perform all post-termination obligations pursuant to Section 19.

(b) Section 2.B. of the Successor Franchise Agreement is hereby deleted in its entirety.

6. **Training.** Section 6.A. of the Successor Franchise Agreement relating solely to the initial training program is deleted.

7. **Grand Opening Advertising and Marketing.** Subsection 9.G. of the Successor Franchise Agreement is deleted.

8. **Termination—By EA**

- a. Subsection 17.B.(2) of the Successor Franchise Agreement is deleted.
- b. Subsection 17.B.(3) of the Successor Franchise Agreement is deleted.

9. **Remodeling/Upgrading Obligations of Franchisee.** Under Section 2.B(2) of the Expiring Franchise Agreement, your right to renew the Franchise was conditioned on your bringing the Franchised Business, before the Expiring Franchise Agreement's expiration date, into full compliance with our current specifications and standards for EDIBLE® Businesses, including, but not limited to, a new equipment package and new décor and an upgraded point-of-sale and computer system. However, we and you acknowledge that certain of the Operating Assets of the Franchised Business do not meet our current specifications and standards for new EDIBLE® Businesses and that we and you have determined that relocation of the Franchised Business is required in order to bring the Franchised Business into full compliance with our current specifications and standards.

Your lease for the Current Store Location is currently scheduled to expire on [[DATE OF EXPIRATION OF CURRENT LEASE]] and you plan to relocate the Franchised Business to a New Store Location (the "Relocation") where you will be able to operate your Franchised Business in full compliance with all of our current standards and specifications. Accordingly, you agree to make, at your sole expense, to make those upgrades to your Current Store Location on an interim basis necessary to sell all required products and services until the Relocation without having to reconfigure or upgrade the layout of the Current Store Location in accordance with our current standards and specifications ("Interim Upgrades"). The Interim Upgrades must include, at a minimum, the items listed on Schedule A attached hereto, such items to be completed not later than [[INTERIM UPGRADE DEADLINE PROVIDED BY REAL ESTATE]].

You must identify the New Store Location for your Franchised Business, which must be in full compliance with our requirements as set forth in the Successor Franchise Agreement, and enter into a new lease for the New Store Location, which we first must approve, not later than [[NEW LEASE EXECUTION DATE PROVIDED BY REAL ESTATE]]. You must develop the New Store Location in accordance with the Successor Franchise Agreement and our current standards and specifications so that you can begin operating the Franchised Business at the New Store Location by [[NEW STORE OPEN DATE PROVIDED BY REAL ESTATE]].

You must continue to operate the Franchised Business at the Current Store Location with the Interim Upgrades, and offer and sell the full range of Edible® products, including the Edible to Go® products, until you open your New Store Location. If you have not satisfied these conditions by [[EXPIRATION OF CURRENT LEASE]], we have the right to terminate the Successor Franchise Agreement immediately due to your failure to satisfy an essential condition for the grant of the Successor Franchise Agreement. In that event, your right to operate the Franchised Business will immediately terminate, and all of your post-term obligations (and our post-term rights) stated in the Successor Franchise Agreement will apply.

10. **Release.** In compliance with the renewal conditions in the Expiring Franchise Agreement and as consideration for our granting you the rights under the Successor Franchise Agreement, as modified by this Rider, you, on your own behalf and on behalf of your affiliates and your and their respective successors, heirs, executors, administrators, personal representatives, agents, assigns, partners, owners, members, directors, officers, principals, and employees (collectively, the “Releasing Parties”), hereby forever release and discharge us and our affiliates, and our and their respective current and former officers, directors, owners, principals, employees, agents, representatives, successors, and assigns (collectively, the “Released Parties”), from any and all claims, damages (known and unknown), demands, causes of action, suits, duties, liabilities, and agreements of any nature and kind, vested or contingent (for purposes of this Section 11, collectively, “Claims”), that you and any of the other Releasing Parties now have, ever had, or, but for this release, hereafter would or could have against any of the Released Parties (a) arising out of or related to the Released Parties’ grant of the franchise rights under the Expiring Franchise Agreement, (b) arising out of or related to the Released Parties’ performance of obligations, or failure to perform obligations, under the Expiring Franchise Agreement, and (c) otherwise arising from or related in any way to your and the other Releasing Parties’ relationship, from the beginning of time to the Effective Date, with any of the Released Parties, with respect to the Franchised Business under the Expiring Franchise Agreement.

You, on your own behalf and on behalf of the other Releasing Parties, further covenant not to sue any of the Released Parties on any of the Claims released by the preceding paragraph and represent that you have not assigned any such Claims to any individual or entity who is not bound by the preceding paragraph.

**IN WITNESS WHEREOF**, the parties have executed and delivered this Rider on the dates noted below, but to be effective as of the Effective Date.

**EDIBLE ARRANGEMENTS, LLC:**

By: \_\_\_\_\_ Title: \_\_\_\_\_ Date: \_\_\_\_\_

**FRANCHISEE: [[NAME OF FRANCHISEE]]**

By: \_\_\_\_\_ Title: \_\_\_\_\_ Date: \_\_\_\_\_  
[[NAME OF OWNER]]

By: \_\_\_\_\_ Title: \_\_\_\_\_ Date: \_\_\_\_\_  
[[NAME OF OWNER]]

**SCHEDULE A  
RENEWAL RIDER  
TO EDIBLE ARRANGEMENTS, LLC FRANCHISE  
AGREEMENT  
FOR STORE  
LOCATION**

**INTERIM UPGRADES**

The Interim Upgrades must be completed and/or installed not later than \_\_\_\_\_, 2017.

*[Insert Interim Upgrades Chart from Construction Services Department]*

**RENEWAL RIDER TO EDIBLE ARRANGEMENTS, LLC**  
**FRANCHISE AGREEMENT FOR [[NAME OF FRANCHISEE]]**

**THIS RENEWAL RIDER TO FRANCHISE AGREEMENT** (the “Rider”) is made and entered into by and between **EDIBLE ARRANGEMENTS, LLC**, a Delaware limited liability company with its principal business address at 980 Hammond Drive, Suite 1000, Atlanta, Georgia 30328 (“we,” “us,” or “our”), and **[[NAME OF FRANCHISEE]]**, a [[STATE OF ORGANIZATION]][[TYPE OF COMPANY]], with its principal business address at [[FRANCHISEE ADDRESS]] (“you” or “your”). This Rider will be effective as of [[RENEWAL DATE]] (the “Effective Date,” regardless of the dates of the parties’ signatures).

1. **Preambles and Acknowledgments.** Simultaneously with signing this Rider, we and you are signing a Franchise Agreement (the “Successor Franchise Agreement”) to govern your continued operation of an EDIBLE® Business (the “Franchised Business”). The Franchised Business currently operates from a store located at [[STORE ADDRESS]] (the “Current Store Location”). (All initial capitalized terms used but not defined in this Rider have the meanings given to them in the Successor Franchise Agreement). We and you acknowledge that the Successor Franchise Agreement is the successor to the franchise agreement dated as of [[EFFECTIVE DATE OF ORIGINAL FRANCHISE AGREEMENT]] (the “Expiring Franchise Agreement”), under which you operated the Franchised Business during the initial term stated in the Expiring Franchise Agreement. We and you further acknowledge that the Expiring Franchise Agreement expires by its terms on [[EXPIRATION DATE (DAY BEFORE RENEWAL DATE)]]. We and you acknowledge that nothing in this Rider modifies any obligation that you have under the Expiring Franchise Agreement, including, without limitation, the transfer and REMAP fees due pursuant to Section 2.B. as a condition to renewal. Subject to your compliance with certain renewal conditions specified in the Expiring Franchise Agreement (as well as your compliance with the Successor Franchise Agreement), you have the right to continue operating the Franchised Business during a successor franchise term. We and you are signing this Rider to modify certain provisions of the Successor Franchise Agreement to reflect that (a) the Successor Franchise Agreement is a successor to the Expiring Franchise Agreement and intended to govern our and your relationship during the successor franchise term, (b) certain provisions of the Successor Franchise Agreement do not apply to your operation of the Franchised Business during its term, and (c) your right to operate the Franchised Business under the Successor Franchise Agreement for its entire term depends on you (i) completing by a stated deadline the negotiation and execution of a new lease with the landlord of the Current Store Location, completing by a stated deadline certain remodeling/upgrading requirements for the Franchised Business at the Current Store Location, and then operating the Franchised Business at the Current Store Location in compliance with the Successor Franchise Agreement (as set forth in Section 10 below) or (ii) relocating the Franchised Business by a stated deadline to a new location within the [[CURRENT STORE’S ZIP CODE]] zip code that satisfies in all respects our current requirements for franchised EDIBLE® Businesses (the “New Store Location”) and then operating the Franchised Business from the New Store Location in compliance with the Successor Franchise Agreement (as set forth in Section 10 below).

2. **Effectiveness of Successor Franchise Agreement.** The Successor Franchise Agreement's term commences on the Effective Date. You will have no further rights under the Expiring Franchise Agreement as of the Effective Date.

3. **Initial Franchise Fee.** Subsection 9.A. of the Successor Franchise Agreement is deleted.

4. **Site Selection.** The timeframes in Subsection 3.A. of the Successor Franchise Agreement are deleted and replaced by the obligations imposed upon you in Section 9 of this Rider.

5. **Term of Franchise.** (a) Section 2.A. of the Successor Franchise Agreement is amended to read as follows:

This Agreement shall be effective and binding from the Effective Date for a term equal to ten (10) years. Franchisee agrees to operate the Franchised Business in compliance with this Agreement for the entire term unless this Agreement is properly terminated under Section 18. Franchisee has no right to acquire, and EA has no obligation to grant, another renewal franchise or otherwise to extend the Franchise when this Agreement expires.

When this Agreement expires, Franchisee shall be required to cease operating the Franchised Business and perform all post-termination obligations pursuant to Section 19.

(b) Section 2.B of the Successor Franchise Agreement is hereby deleted in its entirety.

6. **Training.** Section 6.A. of the Successor Franchise Agreement relating solely to the initial training program is deleted.

7. **Grand Opening Advertising and Marketing.** Subsection 9.G. of the Successor Franchise Agreement is deleted.

8. **Termination—By EA**

(a) Subsection 17.B.(2) of the Successor Franchise Agreement is deleted.

(b) Subsection 17.B.(3) of the Successor Franchise Agreement is deleted.

However, we have the right to terminate the Successor Franchise Agreement if you fail to comply with the obligations in Section 9 of this Rider by their required deadlines.

9. **Remodeling/Upgrading Obligations of Franchisee.** Under Section 2.B(2) of the Expiring Franchise Agreement, your right to renew the Franchise was conditioned on your bringing the Franchised Business, before the Expiring Franchise Agreement's expiration date, into full compliance with our current specifications and standards for EDIBLE® Businesses, including, but not limited to, a new equipment package and new décor and an upgraded point-of-

sale and computer system. In order to be fully compliant with our current specifications and standards for EDIBLE® Businesses, you must have a written lease agreement with your landlord for the Current Store Location that provides for a lease term that is, at minimum, coterminous with the term of the Successor Franchise Agreement and otherwise complies with our other requirements for such leases.

Your lease for the Current Store Location is currently scheduled to expire on [[DATE OF EXPIRATION OF CURRENT LEASE]]. In addition, the Current Store Location is not in full compliance with our current specifications and standards as of the Effective Date of this Rider. We will renew the Franchise and allow you to operate the Franchised Business in its current condition on a temporary basis on the condition that you either:

a. (i) enter into a lease with your landlord for the Current Store Location that provides for a lease term that is, at minimum, coterminous with the term of the Successor Franchise Agreement and otherwise complies with our other requirements for such leases, and (ii) effect such remodeling and upgrades at the Current Store Location, including, without limitation, acquiring and installing the Operating Assets as enumerated on Exhibit A, necessary for the Franchised Business at the Current Store Location to be developed and operated in full compliance with our current standards and specifications for EDIBLE® Businesses, not later than [DATE UPGRADES AT CURRENT LOCATION TO BE COMPLETED BY PROVIDED BY REAL ESTATE] You acknowledge and agree that the scope and nature of the Upgrades, including the Upgrades Equipment, are applicable only through \_\_\_\_\_, 20\_\_ and are thereafter subject to change by EA at its sole discretion; or

b. (i) relocate the Franchised Business to a new location (“New Store Location”) and (ii) then operate the Franchised Business at the New Store Location in full compliance with our requirements as set forth in the Successor Franchise Agreement. If you elect to relocate, you must identify the New Store Location for your Franchised Business, which must be in full compliance with our requirements as set forth in the Successor Franchise Agreement, and enter into a new lease for the New Store Location, which we first must approve, not later than [[NEW LEASE EXECUTION DATE TO BE PROVIDED BY REAL ESTATE]].

You must develop the New Store Location in accordance with the Successor Franchise Agreement and our current standards and specifications for EDIBLE® Businesses so that you can begin operating the Franchised Business at the New Store Location, in full compliance with the Successor Franchise Agreement, not later than [[DATE FOR NEW STORE LOCATION TO BE OPEN BY PROVIDED BY REAL ESTATE]]. You must continue to operate the Franchised Business at the Current Store Location until you open your New Store Location. You agree to perform those interim upgrades to the Current Store Location as enumerated on Exhibit A to enable you to operate the Franchised Business at the Current Store Location in compliance with our current standards and specifications for EDIBLE® Businesses until you are able to relocate to the New Store Location.

You must inform us not later than [DECISION DATE TO STAY OR RELOCATE PROVIDED BY REAL ESTATE] as to your election either to continue operating the Franchised Business at the Current Store Location or to move the Franchised Business to a New Store Location. You agree that all expenses you incur in upgrading or relocating the Franchised Business pursuant to this Rider shall be in addition to any other capital modifications we may require you to implement at the Franchised Business during the Successor Franchise Agreement term pursuant to Section 4.D. of the Successor Franchise Agreement.

If you have not satisfied these conditions by their respective due dates, we have the right to terminate the Successor Franchise Agreement immediately due to your failure to satisfy an essential condition for the grant of the Successor Franchise Agreement. In that event, your right to operate the Franchised Business will immediately terminate, and all of your post-term obligations (and our post-term rights) stated in the Successor Franchise Agreement will apply.

10. **Release.** In compliance with the renewal conditions in the Expiring Franchise Agreement and as consideration for our granting you the rights under the Successor Franchise Agreement as modified by this Rider, you, on your own behalf and on behalf of your affiliates and your and their respective successors, heirs, executors, administrators, personal representatives, agents, assigns, partners, owners, members, directors, officers, principals, and employees (collectively, the “Releasing Parties”), hereby forever release and discharge us and our affiliates, and our and their respective current and former officers, directors, owners, principals, employees, agents, representatives, successors, and assigns (collectively, the “Released Parties”), from any and all claims, damages (known and unknown), demands, causes of action, suits, duties, liabilities, and agreements of any nature and kind, vested or contingent (for purposes of this Section 10, collectively, “Claims”), that you and any of the other Releasing Parties now have, ever had, or, but for this release, hereafter would or could have against any of the Released Parties (a) arising out of or related to the Released Parties’ grant of the franchise rights under the Expiring Franchise Agreement, (b) arising out of or related to the Released Parties’ performance of obligations, or failure to perform obligations, under the Expiring Franchise Agreement, and (c) otherwise arising from or related in any way to your and the other Releasing Parties’ relationship, from the beginning of time to the Effective Date, with any of the Released Parties, with respect to the Franchised Business under the Expiring Franchise Agreement.

You, on your own behalf and on behalf of the other Releasing Parties, further covenant not to sue any of the Released Parties on any of the Claims released by the preceding paragraph and represent that you have not assigned any such Claims to any individual or entity who is not bound by the preceding paragraph.



**IN WITNESS WHEREOF**, the parties have executed and delivered this Rider on the dates noted below, but to be effective as of the Effective Date.

**EDIBLE ARRANGEMENTS, LLC:**

By: \_\_\_\_\_ Title: \_\_\_\_\_ Date: \_\_\_\_\_

**FRANCHISEE: [[NAME OF FRANCHISEE]]**

By: \_\_\_\_\_ Title: \_\_\_\_\_ Date: \_\_\_\_\_  
[[NAME OF OWNER]]

By: \_\_\_\_\_ Title: \_\_\_\_\_ Date: \_\_\_\_\_  
[[NAME OF OWNER]]

**EXHIBIT A RENEWAL  
RIDER  
TO EDIBLE ARRANGEMENTS, LLC FRANCHISE  
AGREEMENT  
FOR  
[STORE LOCATION AND NUMBER]**

I. IF YOU ELECT TO REMAIN IN YOUR CURRENT LOCATION UNDER A NEW LEASE, YOU MUST MAKE THE FOLLOWING UPGRADES:

**UPGRADES**

The upgrades necessary to be able to offer and sell the full line of “Edible to Go®” products and to otherwise bring the Franchised Business into full compliance with EA’s current standards and specifications must be completed and/or installed not later than [UPGRADE AT CURRENT LOCATION COMPLETION DATE]. The scope and nature of the Upgrades and the Upgrades Equipment (including the costs listed below) are valid through \_\_\_\_\_, 20\_\_\_\_, and are thereafter subject to change by EA and/or its vendors, as applicable.

II. IN THE ALTERNATIVE, IF YOU ELECT TO RELOCATE YOUR FRANCHISED BUSINESS, YOU MUST ADHERE TO THE FOLLOWING DEADLINES:

The New Store Location must be developed in full compliance with our requirements as set forth in the Successor Franchise Agreement, and the Franchised Business must be operating at the New Store Location in full compliance with EA’s current standards and specifications, not later than [[DATE FOR NEW STORE TO BE OPEN BY]].

In addition, you must make those upgrades to the Current Store Location to be able to offer and sell the line of “Edible to Go®” products and to otherwise bring the Franchised Business into compliance with EA’s current standards and specifications, no later than [[INTERIM UPGRADE COMPLETION DATE, IF ANY]].

## 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:

<b>State</b>	<b>Effective Date</b>
California	June 4, 2024 (Exempt)
Hawaii	Pending
Illinois	June 5, 2024 (Exempt)
Indiana	June 4, 2024 (Exempt)
Maryland	Pending (Exempt)
Michigan	June 4, 2024
Minnesota	Pending
New York	June 4, 2024 (Exempt)
North Dakota	Pending (Exempt)
Rhode Island	Pending (Exempt)
South Dakota	June 5, 2024
Virginia	June 5, 2024
Washington	Pending (Exempt)
Wisconsin	June 5, 2024

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

**EXHIBIT L**

**RECEIPTS**

## RECEIPT

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

If Edible Arrangements, 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.

[Michigan law requires that Edible Arrangements, LLC give you this disclosure document at least 10 business days before the execution of any binding franchise or other agreement or the payment of any consideration, whichever occurs first.]

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

The franchisor is Edible Arrangements, LLC located at 980 Hammond Drive, Suite 1000, Atlanta, Georgia 30328. Its telephone number is (678) 992-2300. The franchise sellers for this offering are \_\_\_\_\_ at Edible Arrangements, LLC, 980 Hammond Drive, Suite 1000, Atlanta, Georgia 30328, (678) 992-2300.

Issuance Date: June 4, 2024

We authorize the respective state agents identified on Exhibit A to receive service of process for us in the particular states. I received a disclosure document from Edible Arrangements, LLC issued as of June 4, 2024, that included the following Exhibits:

- A. List of State Agencies/Agents for Service of Process
- B. Franchise Agreement
- C. Financial Statements
- D. Operations Manual Table of Contents
- E. List of EDIBLE ARRANGEMENTS® Businesses / Departing Franchisees
- F. State Addenda and Riders to Franchise Agreement
- G. Principal's Agreement
- H. Franchisee Disclosure Questionnaire
- I. Netsolace, LLC Software License and Maintenance Agreement
- J. Form of General Release
- K. Renewal Riders to Franchise Agreement
- L. Receipts

\_\_\_\_\_  
Date

\_\_\_\_\_  
Name of Prospective Franchisee

\_\_\_\_\_  
Signature of Prospective Franchisee

Date, Sign, and Return this Original Receipt to: Edible Arrangements, LLC  
980 Hammond Drive  
Suite 1000  
Atlanta, Georgia 30328  
Attention: Legal Department

## 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 Edible Arrangements, 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.

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- L. Receipts

\_\_\_\_\_  
Date

\_\_\_\_\_  
Name of Prospective Franchisee

\_\_\_\_\_  
Signature of Prospective Franchisee

(Date, Sign, and Keep for Your Own Records)