

FRANCHISE DISCLOSURE DOCUMENT

SAVVY SLIDERS FRANCHISE LLC
a Michigan limited liability company
30955 Northwestern Highway, Suite 300
Farmington Hills, Michigan 48334
Phone: (248) 538-0000
Email: franchising@savvysliders.com
Website: www.savvysliders.com



This Franchise Disclosure Document describes a Savvy Sliders® Restaurant unit franchise. The Savvy Sliders® Restaurant unit franchise is a restaurant business that sells sliders, wings, fries, beverages, and related products for carry-out, dine-in, catering or delivery.

The total investment necessary to begin operation of a Savvy Sliders® Restaurant unit franchise is from \$411,000 to \$965,000. This includes from \$377,000 to \$877,500 that must be paid to the franchisor or its affiliates.

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

You may wish to receive your disclosure document in another format that is more convenient to you. To discuss the availability of disclosures in different formats, contact Happy Asker at the address and phone number listed above.

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 our contract and this disclosure document to an advisor, like a lawyer or an accountant.

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

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

Issuance Date: May 8, 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
How much can I earn?	Item 19 may give you information about outlet sales, costs, profits or losses. You should also try to obtain this information from others, like current and former franchisees. You can find their names and contact information in Item 20 or Exhibits I and J.
How much will I need to invest?	Items 5 and 6 list fees you will be paying to the franchisor or at the franchisor’s direction. Item 7 lists the initial investment to open. Item 8 describes the suppliers you must use.
Does the franchisor have the financial ability to provide support to my business?	Item 21 or Exhibit K includes financial statements. Review these statements carefully.
Is the franchise system stable, growing, or shrinking?	Item 20 summarizes the recent history of the number of company-owned and franchised outlets.
Will my business be the only Savvy Sliders business in my area?	Item 12 and the “territory” provisions in the franchise agreement describe whether the franchisor and other franchisees can compete with you.
Does the franchisor have a troubled legal history?	Items 3 and 4 tell you whether the franchisor or its management have been involved in material litigation or bankruptcy proceedings.
What’s it like to be a Savvy Sliders franchisee?	Item 20 or Exhibits I and J list current and former franchisees. You can contact them to ask about their experiences
What else should I know?	These questions are only a few things you should look for. Review all 23 Items and all Exhibits in this disclosure document to better understand this franchise opportunity. See the table of contents.

What You Need To Know About Franchising *Generally*

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

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

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

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

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

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

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

Some States Require Registration

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

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

NOTICE UNDER MICHIGAN'S 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.

1. A prohibition on the right of a franchisee to join an association of franchisees.
2. 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.
3. 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 thirty (30) days, to cure such failure.
4. 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: (1) the term of the franchise is less than five (5) years and (2) the franchisee is prohibited by the franchise or other agreement from continuing to conduct substantially the same business under another trademark, service mark, trade name, logotype, advertising or other commercial symbol in the same area subsequent to the expiration of the franchise or the franchisee does not receive at least six (6) months advance notice of Franchisor's intent not to renew the franchise.
5. 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.
6. 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.
7. 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:
 - a. the failure of the proposed transferee to meet the Franchisor's then current reasonable qualifications or standards;

b. the fact that the proposed transferee is a competitor of the Franchisor or sub-Franchisor;

c. the unwillingness of the proposed transferee to agree in writing to comply with all lawful obligations; and

d. 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.

8. 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 the right of first refusal to purchase the assets of a franchisee 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 franchisee 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 subsection 3.

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

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

IF FRANCHISOR'S MOST RECENT UNAUDITED FINANCIAL STATEMENT SHOWS A NET WORTH OF LESS THAN ONE HUNDRED THOUSAND (\$100,000) DOLLARS, YOU HAVE THE RIGHT TO REQUEST THE ESCROW OF THE INITIAL INVESTMENT AND OTHER FUNDS PAID UNTIL OBLIGATIONS TO PROVIDE REAL ESTATE, IMPROVEMENTS, EQUIPMENT INVENTORY, TRAINING OR OTHER ITEMS INCLUDED IN THE FRANCHISE OFFERING ARE FULFILLED.

ANY QUESTIONS REGARDING THIS NOTICE MAY BE DIRECTED TO THE STATE OF MICHIGAN, DEPARTMENT OF ATTORNEY GENERAL, CONSUMER PROTECTION DIVISION, ATTN: FRANCHISE, G. MENNEN WILLIAMS BUILDING, 525 OTTAWA STREET, P.O. BOX 30213, LANSING, MICHIGAN 48909, TELEPHONE (517) 335-7567.

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

Franchisor

The Franchisor is Savvy Sliders Franchise LLC. In this Franchise Disclosure Document, the Franchisor will be referred to as "we," "us," or "Savvy," and the person who buys a franchise will be referred to as "you". If the prospective franchisee is a corporation, partnership, limited liability company or other entity, "you" will mean the entity and the owners of the entity.

We are a Michigan limited liability company, organized on January 25, 2019. We do business under our company name and the "Savvy Sliders®" name. Our principal business address is 30955 Northwestern Highway, Suite 300, Farmington Hills, Michigan 48334. Our agents for service of process are listed on Exhibit A.

Parents, Predecessors and Affiliates

Our parent company is AKJ Brands LLC, a Michigan limited liability company, whose principal business is 30955 Northwestern Highway, Suite 300, Farmington Hills, Michigan 48334. We do not have any predecessors.

We and our parent company have a number of affiliates, including the following:

- Savvy Sliders Company LLC, a Michigan limited liability company, which is the owner of the "Savvy Sliders®" trademark. Savvy Sliders Company LLC licenses us to use and sublicense others to use that trademark. The principal business address of Savvy Sliders Company LLC is 30955 Northwestern Highway, Suite 300, Farmington Hills, Michigan 48334.
- Savvy Sliders Foods, LLC, a Michigan limited liability company, which sells products to our franchisees. The principal business address of Savvy Sliders Foods LLC is 30955 Northwestern Highway, Suite 300, Farmington Hills, Michigan 48334.
- Happy's Pizza Foods, Inc., a Michigan corporation, which may sell products to our franchisees. The principal business address of Happy's Pizza Foods, Inc. is 30955 Northwestern Highway, Suite 300, Farmington Hills, Michigan 48334.
- Food Service Group, LLC, a Michigan limited liability company, which may sell products to our franchisees and brokers wholesale food purchases and distribution in connection with sales of products to our franchisees. The principal business address of Food Service Group, LLC is 30955 Northwestern Highway, Suite 300, Farmington Hills, Michigan 48334.
- Happy's Pizza Development, LLC, a Michigan limited liability company, which provides construction services to our franchisees and sells equipment and other items needed to develop a Savvy Sliders® franchise. The principal business address of Happy's Pizza Development, LLC is 30955 Northwestern Highway, Suite 300, Farmington Hills, Michigan 48334.
- Savvy Sliders Advertising LLC, a Michigan limited liability company, which administers and places advertising for Savvy Sliders® franchises. The principal business address of Savvy Sliders Advertising LLC is 30955 Northwestern Highway, Suite 300, Farmington Hills, Michigan 48334.

- Happy’s Pizza Advertising LLC, a Michigan limited liability company, which may administer and place advertising for Savvy Sliders® franchises in some circumstances. The principal business address of Happy’s Pizza Advertising LLC is 30955 Northwestern Highway, Suite 300, Farmington Hills, Michigan 48334.
- Happy’s Pizza Franchise, LLC, a Michigan limited liability company (“Happy’s Pizza”), which is the franchisor of Happy’s Pizza® restaurant single unit and area development franchises. We have authorized Happy’s Pizza to license its franchisees to use the Savvy Sliders name and products in the operation of Happy’s Pizza restaurants co-branded with Savvy Sliders. The principal business address of Happy’s Pizza Franchise, LLC is 30955 Northwestern Highway, Suite 300, Farmington Hills, Michigan 48334.
- We and our parent company also have affiliates that lease franchise locations to some Savvy Sliders® Restaurant franchises.
- We may, in the future, form an affiliate that will offer financing to Savvy Sliders® Restaurant franchises.

An affiliate of our parent company is a part owner of Fat Boy’s Pizza Franchise LLC (“FBPF”), which is the franchisor of Fat Boy’s Pizza Restaurant franchises. The principal business address of FBPF is 2565 Metairie Road, Suite 100, Metairie, Louisiana 70001.

Except as described above, we do not have any affiliates that offer franchises in any line of business or that provide products or services to our franchisees.

Franchisor's Business

We offer and sell Savvy Sliders® Restaurant unit franchises and area representative franchises. We may also offer and sell products and services to our franchisees. We do not currently have other business activities.

The Savvy Sliders® Restaurant Unit Franchise

We are currently franchising Savvy Sliders Restaurant businesses under two concepts. Our primary concept is the standard Savvy Sliders Restaurant unit franchise, which is a restaurant business that sells sliders, wings, fries, beverages, and related products for carry-out, dine-in, catering or delivery (the “Standard Restaurant”). Some Standard Restaurants may also sell alcoholic beverages if we authorize those sales and the franchisee is able to obtain the necessary governmental approvals and licenses. A Standard Restaurant may be located in a free standing building, retail shopping center, mall, or another location approved by us and generally ranges from 1,600 to 3,500 square feet in size. The other concept is the Savvy Sliders Express, which is a restaurant that sells a more limited menu of our products for carry-out, grab-and-go, dine-in, catering or delivery (the “Savvy Sliders Express”). The Savvy Sliders Express is usually located in or operated as a kiosk in another business or facility, such as a hospital or other medical facility, college campus, or similar location, and generally ranges from 600 to 2,000 square feet in size. References in this Disclosure Document to a “Savvy Sliders Restaurant franchise,” a “Restaurant,” a “unit franchise” or a “Franchise Business” will apply to both the Standard Restaurant and the Savvy Sliders Express unless stated otherwise.

A Savvy Sliders Restaurant will sometimes be referred to in this Franchise Disclosure Document as a "Restaurant." A Savvy Sliders Restaurant franchise will operate under our tradenames and trademarks, which are described in Item 13 of this Franchise Disclosure Document (the "Franchise Marks") and in accordance with our specifications for operating a business (the "Franchise Systems").

You acquire the right to operate a Restaurant by signing our standard Franchise Agreement (see Exhibit B to this Franchise Disclosure Document). The type of Restaurant (a Standard Restaurant or a Savvy Sliders Express) you are authorized to operate will be designated in Item 1 of Appendix A to the Franchise Agreement. Under the Franchise Agreement you will acquire the right to operate a single Restaurant at a designated location (the "Franchise Location"). The Savvy Sliders Restaurant unit franchise will sometimes be referred to in this Franchise Disclosure Document as a "unit franchise." In the Franchise Agreement, the Savvy Sliders Restaurant unit franchise operated by you is referred to as the "Franchise Business" and that term is also used in this Franchise Disclosure Document when describing provisions in the Franchise Agreement.

If you are renewing your unit franchise, you will, at our option, (1) sign our current standard Franchise Agreement as well as an Addendum to Franchise Agreement – Renewal ("Renewal Addendum") (see Exhibit C); or (2) an agreement to extend your Franchise Agreement for the renewal term on terms and conditions acceptable to us. The Renewal Addendum modifies some of the provisions of the standard Franchise Agreement to reflect your status as an existing franchisee. If you acquire an existing unit franchise by transfer from another franchisee, you will sign an Assignment and Assumption of Franchise Agreement—Transfer (see Exhibit D-1) by which you will assume the obligations under the selling franchisee's Franchise Agreement or, at our option, you will sign our standard Franchise Agreement as well as an Addendum to Franchise Agreement – Transfer ("Transfer Addendum") (see Exhibit D-2). The Transfer Addendum modifies some of the provisions of the standard Franchise Agreement to reflect the fact that you are acquiring an existing unit franchise. In a transfer situation, if the purchasing franchisee signs a new Franchise Agreement, the selling franchisee will sign a Franchise Termination and Release Agreement-Transfer (see Exhibit D-3).

The Fat Boy's Pizza Co-Branded Restaurant

As noted above, FBPF grants franchises for Fat Boy's Pizza Restaurants. If you request, we may authorize you to operate a Fat Boy's Pizza Restaurant franchise at your Franchise Location or to operate a Savvy Sliders Restaurant franchise at your Fat Boy's Pizza Restaurant franchise location (referred to in this Disclosure Document as a "Fat Boy's Pizza Co-Branded Restaurant"). In order to operate a Fat Boy's Pizza Co-Branded Restaurant, you will also have to enter into a separate franchise agreement with FBPF in order to have the authority to operate both brands from the same location. If we authorize you to operate a Fat Boy's Pizza Co-Branded Restaurant, you must sign our Addendum to Franchise Agreement for Co-Branded Restaurant ("Co-Brand Addendum") (see Exhibit E). References in this Disclosure Document to a "Savvy Sliders Restaurant franchise," a "Restaurant," a "unit franchise" or a "Franchise Business" will apply to Fat Boy's Pizza Co-Branded Restaurants unless stated otherwise.

The Happy's Pizza Co-Branded Restaurant Offered by Happy's Pizza

As noted above, we have authorized our affiliate, Happy's Pizza, to license its franchisees to use the Savvy Sliders name and products in the operation of a Happy's Pizza restaurant that is co-branded with Savvy Sliders (a "Happy's Pizza Co-Branded Restaurant"). A Happy's Pizza Co-Branded Restaurant will have a menu that includes Savvy Sliders products as well as Happy's Pizza products and will include equipment and signage for Savvy Sliders and Happy's Pizza. A franchise for a Happy's Pizza Co-Branded Restaurant is offered only by Happy's Pizza and is not part of our franchise offerings. The Happy's Pizza Co-Branded Restaurant is disclosed in the Happy's Pizza FDD. We have not disclosed the Happy's Pizza Co-Branded Restaurant franchise in this FDD and we do not consider the Happy's Pizza Co-Branded Restaurant franchise to be substantially similar to the franchises offered in this FDD.

The Savvy Sliders Area Representative Franchise

We may offer an area representative franchise to qualified persons. If offered, the area representative franchise will be disclosed in a separate Franchise Disclosure Document. The Area Representative Agreement grants an area representative the right to develop unit franchises in a specific territory. Those franchises may be operated by the area representative, affiliates of the area representative, or other franchisees. Under the Area Representative Agreement, the area representative will act as a contractor for us in connection with offering unit franchises for sale in the territory and will provide services to the unit franchises in the territory on our behalf, including: assisting franchisees with development of the Restaurant; ongoing support of franchisees, including regular visits to the Restaurants; conducting meetings for franchisees; and being available to give operational advice to franchisees. As consideration for these services, the area representative may be paid a portion of the ongoing fees paid by unit franchises in the territory. If you purchase a unit franchise that will be operated in the territory of an area representative, the services we are required to provide to you may be provided by the area representative.

Market and Competition

Your Savvy Sliders Restaurant franchise will primarily serve the public within the vicinity of the Franchise Location. The general market for the products and services offered by a Savvy Sliders Restaurant franchise is highly developed and very competitive. Examples of competitors include nationally affiliated, regionally affiliated and local, franchised and independently owned sandwich restaurants and other restaurant businesses.

Industry Regulations

There are no regulations specific to the industry in which the Savvy Sliders Restaurant franchise operates. You must, however, become familiar with federal, state and local laws and health regulations regulating restaurants and food handling generally, including the requirements of the Michigan Food Law, FDA menu labeling requirements, and health, sanitation, and safety regulations regarding food storage, preparation and safety. An example of a local law that may impact your business is the Oakland County Michigan Sanitary Code, which requires that food service businesses within Oakland County Michigan have at least one employee or staff member who has successfully

completed a Food Service Manager Certification Program. If your Restaurant will sell alcoholic beverages, you must also become familiar with the laws and regulations relating to the purchase and sale of alcoholic beverages.

In addition, you must ensure compliance with Payment Card Industry (“PCI”) Data Security Standard (“DSS”) Requirements and Security Assessment Procedures and other applicable PCI requirements (“PCI Requirements”). Although we may provide advice or specify or provide POS systems or business software, we do not represent or warrant that those systems or software comply with the PCI Requirements and it will be your responsibility to ensure that your business practices comply with the PCI Requirements.

There may be other laws and regulations applicable to your business and we urge you to make inquiries about any laws or regulations that may impact your business.

Prior Business Experience

We do not and have not operated a business of the type to be operated by our franchisees. Happy’s Pizza franchisees have operated Happy’s Pizza Co-Branded Restaurants since November 2018. We have offered franchises for the type of business to be operated by our unit franchisees since July 2019. We have offered area representative franchises since November 2021. We have not offered franchises in any other line of business.

Our affiliate, Happy’s Pizza, has offered Happy’s Pizza unit franchises since March 2007. The Happy’s Pizza unit franchise is a restaurant that that sells pizza, ribs, chicken, seafood, subs, salads, and other food products to the general public for carry-out, dine-in, catering or delivery and, in some cases is a Happy’s Pizza Co-Branded Restaurant. As of December 31, 2023, Happy’s Pizza had 57 operating restaurants, 11 of which were Happy’s Pizza Co-Branded Restaurants. FBPF has offered Fat Boy’s Pizza Restaurant franchises since April 2024. The Fat Boy’s Pizza Restaurant franchise is a contemporary, high quality, family-oriented, fast-casual sports-themed restaurant featuring over-sized pizza pies and slices, chicken wings, premium daiquiris, draft beer, soft drinks and related items. As of December 31, 2023, FBPF had 10 operating Fat Boy’s Pizza restaurants, all of which were operated or managed by FBPF or its affiliates. Except as described above, our affiliates have not offered franchises in any line of business.

ITEM 2--BUSINESS EXPERIENCE

Happy Asker: Member, CEO

Mr. Asker has been CEO of Savvy Sliders since January 2019. Mr. Asker has been the Chief Executive Officer (CEO) of Happy’s since September 1, 2018. Mr. Asker was also CEO of Happy’s from August 2006 to December 2015. Mr. Asker has been a Manager of FBPF since February 2024.

George Khalaf: Chief Financial Officer

Mr. Khalaf has been CFO of Savvy Sliders since January 2019. Mr. Khalaf has been Chief Financial Officer (CFO) of Happy's since May 2018. From May 2016 to January 2018, Mr. Khalaf was Finance Director for Sun City Summerlin Community Association in Las Vegas, Nevada. From February 1999 to April 2016, Mr. Khalaf was Director of Finance for Michigan Credit Union League in Livonia, Michigan. Mr. Khalaf has also been a Realtor for Stars Realty of Sterling Heights, Michigan since 2000.

Anthony Theodore: Director of Food Purchasing

Mr. Theodore has been Director of Food Purchasing for Savvy Sliders since January 2019. Mr. Theodore has been Director of Food Purchasing for Happy's since May 2015. Mr. Theodore has been Director of Food Purchasing for FBPF since February 2024.

ITEM 3--LITIGATION

United States of America v. Happy Asker, et al., Case: 2:13-cr-20518 (U.S. District Court, Eastern District of Michigan filed July 12, 2013). The U.S. filed a criminal indictment against Happy Asker and others, alleging a conspiracy to defraud the U.S., the filing of false income tax returns, aiding or assisting the filing of a false return and a corrupt endeavor to obstruct or impede the due administration of the Internal Revenue laws. The criminal charges were based on alleged underreporting of revenue for certain Happy's Pizza retail outlets. The franchisor was not a party to the action. Mr. Asker was found guilty of conspiracy to defraud the U.S., filing a false income tax return, aiding or assisting in the filing of a false tax return, and impeding, impairing, obstructing, and defeating the lawful government functions of the IRS. Mr. Asker was sentenced to 50 months and 24 months of imprisonment on separate counts, all to run concurrent and supervised release for 3 years. Mr. Asker was assessed \$3,300 and ordered to pay restitution in the amount of \$2,500,000. The Judgment was imposed on Mr. Asker on July 10, 2015.

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

ITEM 4--BANKRUPTCY

No bankruptcy is required to be disclosed in this disclosure document.

ITEM 5--INITIAL FEES

Initial Franchise Fees

You must pay an initial franchise fee of \$35,000. The initial franchise fee must be paid in full at the time the Franchise Agreement is signed. We may waive all or a portion of initial franchise fees in some circumstances—generally if the franchisee has an established relationship

with us, is an entity in which our owners have an interest or as an incentive to open in certain markets. We currently offer a 25% discount on initial franchise fees for unit franchises to qualified veterans of U.S. Armed Forces.

Except as described above, it is our intent to charge all new franchisees the same initial franchise fee. The initial franchise fees are not refundable.

Other Amounts Paid to Us or Our Affiliates Before Opening

Before opening your unit franchise you will purchase goods and services from us or our affiliates (see Item 8), which may include construction/build-out services for leasehold improvements and will include equipment, interior graphics and signage, initial inventory, uniforms and advertising pieces. You may also pay us a fee for review and negotiation of your lease. We estimate that the cost of these payments to us or our affiliates before opening a Restaurant unit franchise will range from \$342,000 to \$842,500 depending on the size of the restaurant, the number of employees, etc.

ITEM 6--OTHER FEES

Type of Fee⁽¹⁾	Amount	Due Date	Remarks
Royalty Fee	5% of Gross Revenues if your Franchise Location is in Michigan; 6% of Gross Revenues if your Franchise Location is outside of Michigan ⁽²⁾	By Wednesday of each week based on Gross Revenues of the preceding calendar week	Gross Revenues include all revenues for the Franchise Business except sales taxes and paid refunds. ⁽²⁾
Advertising Fees	Amount specified by us, but not to exceed \$1,500 per week without your consent	On a business day each week in our discretion	These fees are used for our advertising programs. The current fee does not include the costs of menus, signage, etc. that may be ordered by you. These fees may also be used for joint advertising with other franchisees. See Item 11.
Additional Advertising Program Contributions	Up to 2% of Gross Revenues	By Wednesday of each week based on Gross Revenues of the preceding calendar week	We may impose additional advertising program contributions of up to 2% of Gross Revenues on 30 days notice to you. These contributions are in addition to your advertising fees. See Item 11.

Type of Fee⁽¹⁾	Amount	Due Date	Remarks
Additional Training and Assistance/Support	Currently \$25 per hour per person plus travel and living expenses	Before additional training or assistance/support	We may charge training fees and expenses for additional people attending the initial training program or additional training or assistance/support requested by you or required by us.
Renewal Fee	25% of the initial franchise fee being charged by us to new franchisees at the time of renewal	At the time of renewal	You must pay this fee as a condition to renewal if you elect to renew your franchise at the end of the term of your franchise.
Transfer Fee	50% of the initial franchise fee being charged by us to new franchisees at the time of transfer	Before closing of the transfer	Your transferee must pay a transfer fee if you transfer your franchise or an equity or voting interest in the franchisee or substantially all the assets of the franchise.
Technology Fees	An amount specified by us (currently \$300 to \$600 per month)	On the 1 st business day of each month in advance	These fees may be used by us for expenses relating to the development, support, and maintenance of franchise technology used in our Franchise Systems. ⁽³⁾
Late Charges, NSF Fees, and Interest	Late charge of \$100 for the first late payment and \$250 for each subsequent late payment; NSF fees of at least \$40 for each item returned; and interest of 1.5% per month or maximum rate allowed by law	On receipt of billing	You must pay us: a late charge on all payments not made within 5 days of the due date; reimbursement for NSF fees we incur; and interest on all overdue amounts.
Audit Expenses	Cost of audit	On receipt of our billing	This cost must be paid if the audit is necessary because of your failure to furnish reports or financial information, or the audit discloses an understatement of 3% or more of the Gross Revenues in any report.

Type of Fee⁽¹⁾	Amount	Due Date	Remarks
Insurance	Actual cost to us plus an administrative fee equal to 10% of the cost	On receipt of billing	If you fail to purchase insurance for your Restaurant, we may do so at your expense.
Maintenance and Repairs	Actual cost to us, expenses incurred by us and our agents, plus 10% as an administrative fee	On receipt of billing	If you fail to maintain your Franchise Location, we may do so at your expense.
Refurbishing Costs	Amount varies ⁽⁴⁾	At time of refurbishing	Within six months of our request, you must refurbish the Franchise Location to meet our current requirements. These amounts will only be paid to us if we are providing services in connection with the refurbishing.
Indemnification	Amount will vary under circumstances	As incurred	You must reimburse us if we incur liability from the operation of your franchise.
Allocation of Expenses	See Note 5	30 days from receipt of invoice	You may be required to pay an allocable share of expenses we incur to protect the Franchise Systems and Marks.
Liquidated Damages for Certain Violations	\$50 to \$1,000 per violation ⁽⁶⁾	Within 10 days of notice	We may require you to pay liquidated damages if you fail to comply with certain contractual obligations and/or operational standards or procedures. ⁽⁶⁾
Liquidated Damages for Loss of Bargain on Termination	See Note 7	On termination	We are entitled to recover liquidated damages for loss of bargain if the Franchise Agreement is terminated before expiration, except for termination by you for cause.
Costs and Attorneys Fees	Amount will vary under circumstances	As incurred	You must pay our costs and attorney fees if we must take action to enforce your obligations to us.

Notes to Table

(1) Except as noted, all fees are imposed by and payable to us. Except as otherwise noted, it is our intent that all fees payable to us will be uniform for franchises being offered at this time. All fees paid to us are non-refundable. In the Franchise Agreement, you grant us a security interest in all of your assets to secure any indebtedness of you or your affiliates to us or our affiliates. You also authorize us to file UCC financing statements to evidence this security interest. We will agree to subordinate this security interest to any purchase money security you grant to a lender in connection with the initial purchase of equipment for your Restaurant, but the form of subordination agreement must be satisfactory to us.

Your payments to us for royalty, advertising fees, additional advertising program contributions, training, renewal and transfer fees, litigation expenses, late charges and interest, amounts owed for products or services provided by us, amounts owed for indemnification obligations, amounts owed for maintenance expenses incurred by us, amounts owed for liquidated damage amounts and all other amounts owed by you to us must be made by electronic or similar funds transfer in the appropriate amounts from your bank account to our bank account, and at such places or in such manner as we may specify. Payments must be made at the times specified in the Franchise Agreement or as otherwise specified by us. We may specify payment by electronic fund transfers initiated by us. You must sign and deliver to your bank and to us those documents necessary to authorize these transfers (see Appendix G attached to the Franchise Agreement). If we specify, all required payments to us must be made daily or weekly, instead of monthly or as otherwise provided in the Franchise Agreement. If the bank fees we incur for electronically debiting amounts from your accounts are in excess of the bank fees that we would incur if your accounts were maintained at our bank, you must reimburse us for the amount of those excess fees. Those amounts are payable on demand.

(2) You must pay a royalty fee as follows: (a) if your Franchise Location is located in the State of Michigan, the royalty fee will be an amount equal to 5% of your Gross Revenues; and (b) if your Franchise Location is located outside of the State of Michigan, the royalty fee will be an amount equal to 6% of your Gross Revenues. The Franchise Agreement defines "Gross Revenues" as the entire amount of all of your revenues from the ownership or operation of the Franchise Business or any business at or about the Franchise Location including sales at or from the Franchise Location and outside sales and sales at events outside the Franchise Location as well as the proceeds of any business interruption insurance, whether the revenues are evidenced by cash, credit, checks, gift certificates, coupons and premiums (unless exempted by Franchisor), services, property or other means of exchange, excepting only the amount of any sales taxes that are collected and paid to the taxing authority. Cash refunded and credit given to customers and receivables uncollectible from customers will be deducted in computing Gross Revenues if the cash, credit or receivables represent amounts previously included in Gross Revenues where royalty fees were paid. Gross Revenues are deemed received by you at the time the goods, products, merchandise, or services from which they derive are delivered or rendered or at the time the relevant sale takes place, whichever occurs first. Gross Revenues consisting of property or services (for example, "bartering" or "trade outs") are valued at the prices applicable to the products or services exchanged for the Gross Revenues at the time the Gross Revenues are received.

(3) We may use the technology fees for expenses relating to the development, support, and maintenance of technology used in the Franchise Systems. Currently, the technology fees cover the first level of support we provide to you for the POS system, use and limited support of our designated online ordering application, and use of our designated rewards program, which is run through the online ordering application.

(4) You will not be required to refurbish your franchise location more than once every three years. It is our intent to impose this requirement uniformly on all Savvy Sliders Restaurant franchises, but the expenses incurred in fulfilling the requirement will vary depending on the condition of the Franchise Location and the local costs of construction.

(5) We may incur expenses associated with demands, claims, litigation and/or other actions we initiate or defend against to protect the Franchise Systems and Franchise Marks, including attorneys' fees, court costs and other legal expenses we incur. These actions may include, but are not limited to, actions to prevent others from using the Franchise Systems or Franchise Marks or to enforce other intellectual property rights associated with the Franchise Systems or Franchise Marks, enforcing system standards, and enforcing restrictions on competition. We will have the right to charge you for a reasonable allocable share of these expenses. The allocable share will be determined by dividing the applicable expenses by all Restaurants or by dividing the applicable expenses by all Restaurants in a particular market if we determine that the litigation is primarily applicable to a particular market, or in another manner specified by us.

(6) We may require you to pay liquidated damages as a remedy for your failure to comply with certain contractual obligations and/or operational standards or procedures specified by us. The liquidated damages amounts and the violations to which they apply will be specified in the Operations Manual or other written policies. Examples of violations that could result in liquidated damages being imposed include: failure to wear uniforms, delivery outside specified areas, use of unapproved products, sale of unapproved products, etc. Currently the liquidated damages amounts range from \$50 to \$1,000 per violation, but that is subject to change. The liquidated damages are intended to cover our damages suffered as a result of your violations. Those damages include our additional administrative expenses and damages arising from loss of uniformity, quality, reputation or good will in our Franchise Systems.

(7) If this Agreement is terminated before its expiration (other than termination by you for cause), we may recover from you damages attributable to the loss of bargain resulting from that termination. The damages for our loss of bargain will be the present value of the income we and our affiliates would have received over a period of time equal to the lesser of (i) the balance of the term of the Franchise Agreement; or (ii) 36 months. For purposes of this provision, the income Franchisor and its affiliates would have received will include royalty payable to us and the net income we and our affiliates would have received in connection with the sale of products and services to you. The net income we and our affiliates would have received in connection with the sale of products and services to you will be calculated by taking the net income of us and our affiliates for the 12 month period ending on the date that you ceased to operate as a Savvy Sliders franchisee and multiplying that amount by the applicable time period.

ITEM 7--ESTIMATED INITIAL INVESTMENT

YOUR ESTIMATED INITIAL INVESTMENT

Type of Expenditure	Amount	Method of Payment	When Due	To Whom Payment Is To Be Made
Initial Franchise Fee	\$35,000 ⁽¹⁾	Lump sum	On signing the Franchise Agreement	Us
Grand Opening Advertising ⁽²⁾	\$15,000	As incurred	As incurred	Us and other Advertising Providers
Site Selection and Lease Review and Negotiation ⁽³⁾	\$1,000 to \$7,500	As incurred	As incurred	Us and attorneys or other consultants
Initial Lease Payments ⁽⁴⁾	\$2,000 to \$22,500	As agreed	As specified in lease	Landlord
Leasehold Improvements ⁽⁵⁾	\$75,000 to \$350,000	As agreed	Before opening as incurred	Our affiliates, Contractors and Suppliers
Equipment, Fixtures, Furniture, and Signs ⁽⁶⁾	\$241,000 to \$460,000	As agreed	Before opening as incurred	Our affiliates and Suppliers
Initial Inventory and Operating Supplies	\$25,000	As agreed	Before opening as incurred	Suppliers
Miscellaneous Travel and Living Expenses while Training ⁽⁷⁾	\$2,500 to \$10,000	As agreed	Before opening as incurred	Third Parties
Insurance ⁽⁸⁾	\$2,500 to \$10,000	As Agreed	Before opening as incurred	Insurance Companies
Miscellaneous Pre-opening Expenses ⁽⁹⁾	\$2,000 to \$5,000	As incurred	Before opening as incurred	Third Parties
Additional Funds (three months) ⁽¹⁰⁾	\$10,000 to \$25,000	As incurred	As incurred	Us, our affiliates, Suppliers and Employees
TOTALS ⁽¹¹⁾⁽¹²⁾⁽¹³⁾	\$411,000 to \$965,000			

Notes to Table

- (1) See Item 5 for an explanation of the amount and refundability of the initial franchise fee.
- (2) We will provide guidance for your initial grand opening promotion, which may include grand opening advertising, free-standing inserts, direct mail, neighborhood and business to business marketing, newspaper advertising, radio, TV, billboards, public relations and publicity ideas. You are responsible for all costs and expenses related to the grand opening advertising. You must spend an amount specified by us, not to exceed \$15,000, to conduct grand opening advertising and promotions (this amount is separate from and in addition to any advertising fees or additional advertising program contributions). The grand opening and advertising promotions must occur within the period beginning two months before the opening of your Restaurant and ending two months after the opening of your Restaurant. You must provide documentation to show that you have spent the required amount on grand opening advertising and promotions within the specified time frame. If you do not provide that documentation, or do not spend the required amount on grand opening advertising and promotions within the prescribed time frame, you must pay the amount not satisfactorily documented or not spent to us on demand. These funds will either be spent on your behalf to execute a grand opening promotion for your Restaurant or be used in our advertising programs.
- (3) We may, in our discretion, assist you in selecting a suitable location for your Restaurant. We also may, in our discretion, assist you in negotiating a lease for your Franchise Location. We may charge a reasonable fee for these services. We have not previously charged any fees for site selection or lease negotiation services. We estimate that the fees we could charge in the future for these services would be \$1,000. You are not required to use our services. In addition, you may incur fees to have your attorney or another consultant review and negotiate your lease for the Franchise Location. We estimate that these fees may range from \$1,500 to \$5,000.
- (4) You will generally lease your Franchise Location. We estimate that your base monthly rent will range from \$2,000 to \$7,000. The initial charge to you for leasing the Franchise Location is estimated to be one to three month's of rent, a portion of which may include a security deposit. You may have to pay rent before the opening of your Franchise Business during a period when the Franchise Business will not have any revenue. The square footage of a location for a Savvy Sliders Restaurant franchise will generally range between 1,600 square feet to 3,500 square feet for a Standard Restaurant and between 600 and 2,000 square feet to the Savvy Sliders Express. Your rent may be subject to escalation clauses based on inflation or other factors as provided in your lease. The annual rent amount may vary significantly depending on the condition, location and size of the location and the demand for the location among prospective tenants. Our estimates are based on our experience in Michigan and Ohio. Your rent costs could be lower or significantly higher if your location will not be in southeastern Michigan. The estimates in the table do not reflect an amount for the purchase of real estate, since it is assumed that you will lease your Franchise Location. Your initial investment will be much greater if you purchase real estate and construct your franchise location and we do not have any estimate of those costs.
- (5) You must improve the Franchise Location in accordance with our specifications. In some circumstances, a portion of the leasehold improvements may be included in your lease and you will not

incur significant expenses for leasehold improvements, but in those cases your rent will generally be higher.

(6) This category includes restaurant equipment, a POS system (hardware and software), furniture, fixtures, signs, menu boards, and shipping and handling fees. These costs will vary depending on the size of the Franchise Location. The low end of the estimate assumes you have obtained a location that contains some existing equipment and that you will not have a drive-through. Although we prefer locations have a drive-through, that is not an option at all locations. You may include some of these items in a finance or lease package if you finance a portion of your initial investment, in which case you will incur interest expense and other financing costs. The price for signage will vary depending on the type of site and local ordinances for outdoor signage.

(7) Although we do not charge any additional fees for the initial training program, you are responsible for paying any wages due to your employees as well as travel, food and lodging expenses incurred by you and your employees during initial training. These costs will depend on the distance you and your employees must travel and the type of accommodations you choose. Also, you may have to pay a fee for attending any certification program required by state or local laws or regulations. That fee is not payable to us.

(8) The estimate in the table is an estimated range of the initial cost for insurance for your Restaurant. The low end of the range is based on the insurance company accepting a partial up-front payment of 25%, which some insurance companies are willing to do if you meet their credit requirements. The high end of the range is based on the full cost for a year of coverage.

(9) Your miscellaneous pre-opening expenses may include uniforms, utility deposits, installation of telephone services, legal or accounting services, business licenses, utilities, rent, interest and other financing expenses, etc.

(10) This category covers expenses you may incur during the three-month initial phase of your Restaurant. These expenses may include advertising expenses, insurance premiums, payroll costs, additional inventory and supplies, etc. These expenses do not include any amounts for an owner's salary or draw. These figures are estimates and we cannot guarantee that you will not have additional expenses starting the business. Your costs during this initial phase will depend on factors including: how much you follow our procedures; your management skill, experience, and business abilities; local economic conditions; the local market for the franchise's product; competition; and the sales level reached during this initial phase.

(11) We relied on our experience in working with others to develop and operate similar businesses to compile these estimates. You should, of course, review these figures carefully with a business advisor before making any decision to purchase the franchise.

(12) Except as may be noted, none of the payments to us are refundable. The refundability of payments to other parties is determined by your agreements with those parties.

(13) We do not offer any financing for any part of your initial investment. You may, however, finance a portion of your initial investment with a third party. The availability and terms of

financing with third parties will depend on factors including the availability of financing generally, your credit history, collateral you may have, and the lending policies of financial or leasing institutions.

The table describes our estimate of your initial investment to develop one Savvy Sliders Restaurant franchise. The estimate covers the period before the opening of your franchise and includes a category for additional expenses you may incur during the initial three month phase after the opening of your franchise. The estimate does not include an owner's salary or draw. The estimate also does not include cash requirements to cover operating losses or owner's draw after the initial phase of the franchise. You may need additional funds available, whether in cash or through unsecured credit lines, or have other assets that you may liquidate, or that you may borrow against, to cover your personal living expenses and any operating losses after the initial phase of your franchise. We urge you to retain the services of an experienced attorney and accountant or financial adviser in order to develop a business plan and financial projections for your franchise.

Your actual investment may vary depending on local conditions peculiar to your geographic area or market, for example, real estate demand, availability and occupancy rates. Additional variables that may impact your initial investment may be: the size of your facility; age of the structure; length of your lease or other instrument granting you the right to occupy the premises; if your space is to be built out by the developer with no initial out-of-pocket costs to you; lease arrangements; location in the market; whether you are converting existing premises and whether in the same business; costs of demolishing existing leasehold improvements; construction costs; other variable expenses and whether you currently hold a lease for an acceptable location.

ITEM 8--RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

General

In order to maintain uniqueness, consistency, uniformity, quality and identity of the products and services sold by Savvy Sliders Restaurants and to take advantage of the group purchasing power of Savvy Sliders Restaurants, you must purchase all equipment, fixtures, signs, inventory, food products, packaging materials, paper and plastic products, menus, uniforms, insurance, advertising materials and services, and all other products and services for the development and operation of your Savvy Sliders franchise of the type and in the amounts we specify, in accordance with our specifications and only from suppliers or distributors designated by us, as described in more detail below.

Obligations to Purchase or Lease from the Franchisor or its Designees

All equipment, fixtures, signs, inventory, food products, packaging materials, paper and plastic products, menus, uniforms, insurance, advertising materials and services, merchant processing services, and other products and services used in the development and operation of your Restaurant, must be purchased in accordance with our specifications and only from us or a supplier or distributor that we designate. We and companies affiliated with us may be designated suppliers. We are not required to designate or approve other suppliers or distributors for any of these products and services and we do

not issue criteria to our franchisees for these products and services. We impose these requirements so that we can ensure uniformity and quality and sufficient volume purchases to obtain favorable pricing under contracts with suppliers or distributors.

We will provide a list of designated suppliers to you in memos, bulletins, emails or in our Operations Manual. We will issue notification of designated supplier status or revocation of supplier status to you in memos, bulletins, emails or in our Operations Manual. We are currently the designated supplier of the 1st level of maintenance and support services for the POS System used by our franchisees, including pricing updates, and for other technology services, including technology services relating to digital menu and display boards and in-store marketing. We are also currently the designated supplier of the online ordering application used by our franchisees. We have affiliates that are or may be designated suppliers of products and services to our franchisees. Currently, our affiliate, Happy's Pizza Development, LLC, is a designated and approved supplier for all products and services used in the development of your Restaurant, including, construction/build-out services, equipment, signs, and other items needed to develop a Restaurant. Our affiliate, Happy's Pizza Foods, Inc., is a designated supplier of products to our franchisees and receives revenue from other suppliers in connection with those activities. Our affiliate, Food Service Group, LLC, may be a designated supplier of products to our franchisees and acts as a broker or distributor for some of our designated suppliers and receives revenue from the suppliers in connection with those activities. Our affiliate, Savvy Sliders Advertising LLC, administers and places advertising for Savvy Sliders franchises and is the designated supplier for those services. Savvy Sliders Advertising LLC will derive income from those services to the extent the advertising fees collected exceed the expenses of producing, placing and administering advertising for Savvy Sliders franchises. Savvy Sliders Advertising LLC is also the designated supplier to our franchisees of uniforms and advertising pieces. Our affiliate, Happy's Pizza Advertising LLC, may also administer and place advertising for Savvy Sliders franchises in some circumstances and may be the designated supplier for those services in those circumstances. Happy's Pizza Advertising LLC will derive income from those services to the extent the advertising fees collected exceed the expenses of producing, placing and administering the advertising.

Any products or services sold by or through us or our affiliates will be sold in accordance with the terms set forth in memos, bulletins, emails, franchisee meetings or otherwise in writing by us or by the manufacturer of the products. These terms may be changed by written notice from us or the manufacturer of the products.

We may require you to lease or sublease your Franchise Location from us or an affiliate. If we or an affiliate leases or subleases your Franchise Location to you, we or our affiliate will derive revenue from the rent you pay us. We do have some affiliates that lease franchise locations to some Savvy Sliders Restaurant franchises. Those affiliates will derive revenue from leasing those properties.

Our designation of a manufacturer, supplier or distributor does not create any express or implied promise, guaranty or warranty by us as to the products or services of the manufacturer, supplier or distributor and we will not have any liability to you for any claims, damages or losses suffered by you as a result of or arising from the products or services provided by the manufacturer, supplier or distributor or the acts or omissions of the manufacturer, supplier or distributor.

We or an affiliate may negotiate purchase arrangements with some of our designated suppliers for our benefit and the benefit of our franchisees in order to take advantage of group purchasing power.

We and our affiliates have the right to receive rebates or other fees from designated suppliers based on sales of goods or services to our franchisees. You agree that we and our affiliates have the right to collect all such rebates or fees and you must cooperate with us in the collection of those rebates and fees. In the Franchise Agreement you acknowledge and agree that we, in our sole discretion, and on a non-uniform basis, may: (i) pay, pass-through or waive some or all of those rebates or other fees from suppliers to or for the benefit of franchisees in certain markets or to or for the benefit of some, but not all, franchisees in a particular market; or (ii) use those rebates for any other purpose, including purposes that may benefit certain markets or some, but not all, franchisees in a particular market.

Currently we have a designated supplier of services for the disposition of used cooking oil that pays us a fee per pound (net yield) in connection with those services. This currently applies to Midwest markets, but may cover other markets in the future. The fee fluctuates based on the market and is currently \$0.16 per pound. We have an arrangement to receive fees from our designated supplier of merchant bank card services and payroll services based on bank card usage and usage of the payroll services at Restaurants. Those fees may vary (sometimes for limited periods of time), but are currently generally 50% of the profits of the supplier derived from the services provided to Restaurants. Currently we have designated suppliers that make payments to our affiliate, Happy's Pizza Foods, Inc., and may make payments to Food Service Group, LLC based on purchases by our franchisees. These payments include rebates on some products based on a flat amount ranging from \$0.01 to \$10.00 on units, cases, or bundles and rebates on some products or services based on a percentage of sales of products or services to Restaurants of up to 6.5%.

Other than ownership in us and our affiliates, none of our officers own any interest in suppliers to our franchisees.

Obligations to Purchase Under Specifications

If you do not lease or sublease your Franchise Location from us, your lease must be approved by us. In situations where we or one of our affiliates lease the Franchise Location to you, we may have a conflict of interest in connection with assisting you in the negotiation of your lease. In the Franchise Agreement you acknowledge this potential conflict and waive and hold us harmless from that conflict. We will not, in any event, evaluate or be responsible for the commercial reasonableness or suitability of your lease. That is your sole responsibility and we recommend that you engage independent counsel to assist you in the evaluation and negotiation of your lease. Also, you and your landlord must sign a lease addendum acknowledging certain rights we have under the Franchise Agreement that relate to your lease. A copy of our standard Lease Addendum is attached as Exhibit F.

In addition, your Franchise Location must be constructed or improved in accordance with our specifications for build-out, décor, signage, equipment layout, space, etc. We must approve all construction agreements, and all drawings, plans and specifications relating to the construction and/or improvement of your Franchise Location. You must hire a design firm, construction manager and/or

general contractor specified or approved by us to design and construct or improve your Franchise Location in accordance with our specifications. If we have not specified a design firm, construction manager and/or general contractor for your area or you desire to use a different design firm, construction manager or general contractor, you must obtain our prior written approval of the design firm, construction manager and/or general contractor. Although we have the right to review and comment on and must designate or approve all construction agreements, and all drawings, plans and specifications, design firms, construction managers and general contractors relating to the construction and/or improvement of your Franchise Location, we are only acting to ensure compliance with our specifications. We will not evaluate or be responsible for compliance with governmental requirements, legal requirements or adequacy of design and engineering relating to the design and construction and/or improvement of your Franchise Location and you are solely responsible for those matters. We will not have any liability to you or others if your Franchise Location fails to comply with governmental or legal standards or if the design and engineering is otherwise inadequate and you must indemnify us for any liability we may incur. Unless we lease or sublease your franchise location to you or we or our affiliates perform any of the build-out for your Franchise Location, we will not derive any revenue as a result of your lease or build-out of the Franchise Location.

You must acquire, maintain and update the equipment, signs, products and supplies that we specify for establishing and operating your Restaurant. Also, all of these items must meet our standards and specifications.

You must purchase insurance coverage for your business in accordance with our standards and specifications and, if specified by us, from or through us or a supplier designated by us. We do not currently require that you purchase insurance through us or a designated supplier. You must purchase and maintain the following insurance coverage:

- Liability Insurance with the following limits: general aggregate--\$2,000,000; products/completed operations aggregate--\$2,000,000; personal and advertising injury--\$1,000,000; each occurrence--\$1,000,000; fire damage (any one fire)--\$500,000; medical expense (any one person)--\$5,000; and EPLI insurance with 3rd party coverage--\$50,000. If you sell alcoholic beverages you must also purchase and maintain liquor liability insurance in amounts specified by us. The liability insurance must not exclude liability relating to communicable diseases.
- Property Insurance with the following limits: real property—replacement cost; personal property—replacement cost; business income/extra expense—actual loss sustained, 12 months; outdoor and neon signs—\$20,000; valuable papers--\$20,000; electronic media and records--\$20,000; accounts receivable--\$25,000; employee dishonesty--\$10,000; money and securities – loss inside--\$10,000; money and securities – loss outside--\$10,000; inventory/food spoilage--\$10,000; and extended water damage--\$10,000.
- Coverage Enhancements, including: expanded glass coverage; fire extinguisher recharge coverage--\$15,000; fire department service charge coverage--\$10,000; code update coverage; off-premises interruption of service--\$25,000; re-keying lock cylinders--\$1,000; consequential loss to merchandise; extended loss adjustment; pollutant clean up and removal--\$25,000.

- Non-owned and hired automobile liability insurance with minimum limits of \$1,000,000 per occurrence or the highest attainable limit available in the state in which the Restaurant is located, if less than \$1,000,000.
- Business Owner's Umbrella Policy with limits of \$1,000,000 each occurrence and annual aggregate (this policy is recommended, but not required).
- Worker's Compensation and/or Employer's Liability Insurance as required by law.
- Your lease for the Franchise Location may require you to insure the building in which you operate and may require increased or additional coverages.

We may revise these insurance specifications in the future. You must purchase the specified insurance coverage from or through us or a supplier designated by us. Evidence of this insurance must be initially provided at least 14 days before you begin operating your Restaurant. Certificates of renewal must be provided no later than 14 days before the expiration date of each policy. If you do not provide us with evidence of these insurance policies at any due date, we may purchase that insurance at your expense. You must immediately reimburse us for the cost of any insurance obtained by us and pay us an administrative fee equal to 10% of the cost. Each required policy of insurance must name us as an additional insured and must provide that we will be given 30 days notice before cancellation, modification or amendment of the policy. Your lease may require higher limits or additional coverages.

Each required insurance policy must meet the following requirements: (a) the policy must name us (and any of our affiliates or representatives that we may reasonably specify) as an additional insured on the form specified by us; (b) the policy must not be subject to cancellation, modification or amendment except after 30 days written notice to us; (c) the insurance must be obtained from or through a designated or approved Supplier, as applicable, and an insurance carrier with an AM Best's Rating of not less than A-IX; (d) the policy must provide that failure by you to comply with any term, condition or provision of the insurance contract, or other conduct by you, will not void or otherwise affect the coverage afforded us and our affiliates and representatives; (e) the applicable policies must cover your indemnification obligations under the Franchise Agreement; (f) the policy will be primary to and without right of contribution from any insurance purchased by us; and (g) the policy must contain a waiver of subrogation in favor of us for casualty losses. Your obligation to obtain and maintain the policies of insurance in the minimum amounts specified by us will not be limited in any way by reason of any insurance that may be maintained by us nor will your obligation to obtain insurance relieve you of your liability for indemnification as provided in the Franchise Agreement.

The insurance coverages and amounts specified by us reflect minimum amounts required by us and are not meant to reflect your actual insurance coverage needs. It is your responsibility to carefully evaluate your insurance needs and to obtain the insurance coverages and amounts as necessary to satisfy those insurance needs. In addition, your lease may require higher limits or additional coverages.

We formulate and modify our specifications based on our and our affiliates' years of experience in the business. Factors that we consider include quality and uniformity of products and

services. We are not required to issue our specifications to our franchisees. We may issue and modify our specifications by sending memos, bulletins or updates to our Operations Manual.

Revenue or Other Benefits to Franchisor or Affiliates

During the fiscal year ending December 31, 2023, we did not receive any revenue from the sale of products and services to Restaurants. During the fiscal year ending December 31, 2023, our affiliate, Happy’s Pizza Development, LLC, received revenue from the sale of products and services to Restaurants in the amount of \$3,827,099. During the fiscal year ending December 31, 2023, our affiliate, Savvy Sliders Foods, LLC received revenue from the sale of products and services to Restaurants, which would include rebates from suppliers and pass-through revenue from food and supply purchases, in the amount of \$209,964. During the fiscal year ending December 31, 2023, our affiliate, Savvy Sliders Advertising, LLC, received revenue in connection with the administration, production, and placement of advertising for our franchisees in the amount of \$804,150. The source of this financial information relating to our affiliates is the unaudited financial statements and tax returns prepared by the accountant for our affiliates.

Percentage of Purchases

All of your purchases from designated suppliers and in accordance with our specifications will represent 95% to 100% of your total purchases in the establishment of your Restaurant and 95% to 100% of your total purchases in the ongoing operation of your Restaurant.

Cooperatives; Material Benefits to Franchisees

We do not have any formal purchasing or distribution cooperatives. We do not provide material benefits to our franchisees based on a franchisee's purchases from designated sources.

ITEM 9--FRANCHISEE'S OBLIGATIONS

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

Obligation	Section in Agreement	Disclosure Document Item
a. Site selection and acquisition/ lease	Sections 7.1, 7.2 and 7.3 of the Franchise Agreement; Section G of Renewal Addendum; Section G of Transfer Addendum	Items 7, 11, and 17
b. Pre-opening purchases/leases	Sections 7.2, 7.3, 7.6 and 7.7 of the Franchise Agreement; Section F of Renewal Addendum; Section F of Transfer Addendum	Items 5, 7 and 8

Obligation	Section in Agreement	Disclosure Document Item
c. Site development and other pre-opening requirements	Sections 7.1 through 7.7 of the Franchise Agreement; Section G of Renewal Addendum; Section G of Transfer Addendum; Section 4 of Co-Brand Addendum	Items 5, 7 and 11
d. Initial and ongoing training	Article 10 of the Franchise Agreement; Section J of Renewal Addendum	Item 11
e. Opening	Sections 7.1 and 8.1 of the Franchise Agreement; Section H of Renewal Addendum; Section H of Transfer Addendum	Items 11 and 17
f. Fees	Section 3.2(i), Article 4, Sections 5.6, 8.2, 8.5, 8.7, 8.8, 8.10, 8.11, 8.15, 9.2, 10.3, 13.3(f), 14.8, and 14.9 of the Franchise Agreement; Section E of Renewal Addendum; Section E of Transfer Addendum	Items 5, 6 and 7
g. Compliance with standards and policies/operating manual	Sections 2.1, 2.2, 3.2, 4.12 through 4.16, Articles 6, 7, and 8, Sections 9.3, 9.4, 10.2, 13.3 and Article 15 of the Franchise Agreement; Section C of Renewal Addendum; Section C of Transfer Addendum; Section 4 of Co-Brand Addendum	Items 8, 11, 13 and 16
h. Trademarks and proprietary information	Articles 6 and 11 of the Franchise Agreement; Section 1 of Confidentiality and Non-competition Agreement and Confidentiality Agreement (Exhibit H)	Items 13 and 14
i. Restrictions on products/services offered	Sections 8.5 and 8.6 of the Franchise Agreement	Items 8, 11 and 16
j. Warranty and customer service requirements	Sections 8.1 and 8.2 of the Franchise Agreement	Not applicable
k. Territorial development and sales quotas	Section 8.1 and 8.3 of the Franchise Agreement	Item 12
l. Ongoing product/service purchases	Sections 8.4, 8.5 and 8.6 of the Franchise Agreement	Items 8 and 16
m. Maintenance, appearance and remodeling requirements	Sections 3.2, 8.8 and 13.3 of the Franchise Agreement; Section C of Renewal Addendum; Section C of Transfer Addendum	Items 11 and 17
n. Insurance	Section 8.11 of the Franchise Agreement	Items 7 and 8

Obligation	Section in Agreement	Disclosure Document Item
o. Advertising	Sections 4.3, 4.4, 8.7, 8.18 and Article 9 of the Franchise Agreement; Section I of Renewal Addendum; Section I of Transfer Addendum	Items 6 and 11
p. Indemnification	Sections 8.10, 8.15, 10.4 and 13.2 of the Franchise Agreement	Item 6
q. Owner's participation/management/staffing	Sections 8.9 and 8.10 of the Franchise Agreement; Appendix B of Franchise Agreement—Obligations and Representations of Individuals Involved in the Franchise Business; Appendix D of Franchise Agreement—Personal Guaranty; Appendix H of Franchise Agreement – Confidentiality and Nondisclosure Agreement and Covenant not to Compete	Items 11 and 15
r. Records and reports	Sections 4.12 through 4.14 of the Franchise Agreement	Not applicable
s. Inspections and audits	Sections 4.15 and 4.16 of the Franchise Agreement; Section 4 of Co-Brand Addendum	Item 6
t. Transfer	Article 13 of the Franchise Agreement; Transfer Addendum	Items 6 and 17
u. Renewal	Section 3.2 of the Franchise Agreement; Renewal Addendum	Items 6 and 17
v. Post-termination obligations	Sections 11.2, 11.4, 12.2, 12.3 and Article 15 of the Franchise Agreement; Section 6 and 7 of Co-Brand Addendum; Sections 4 and 5 of Appendix H of Franchise Agreement – Confidentiality and Nondisclosure Agreement and Covenant not to Compete; Sections 1 and 2 of Confidentiality and Non-competition Agreement and Section 1 of Confidentiality Agreement (Exhibit H)	Item 17
w. Non-competition covenants	Article 12 of the Franchise Agreement; Section 5 of Appendix H of Franchise Agreement – Confidentiality and Nondisclosure Agreement and Covenant not to Compete; Section 2 of Confidentiality and Non-competition Agreement (Exhibit H)	Item 17

Obligation	Section in Agreement	Disclosure Document Item
x. Dispute resolution	Article 16 of the Franchise Agreement; Sections 8 and 10 of Appendix H of Franchise Agreement – Confidentiality and Nondisclosure Agreement and Covenant not to Compete; Section 11 of Confidentiality and Non-competition Agreement and Section 10 of Confidentiality Agreement (Exhibit H)	Item 17

ITEM 10--FINANCING

We do not offer direct or indirect financing for your franchise. We do not guaranty any of your notes, leases, or other obligations.

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

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

Before Opening

Before you open your business:

1. We may, in our discretion, assist you in selecting a suitable location for your Restaurant (Section 5.1 of the Franchise Agreement). We may charge a reasonable fee for this service. Also, we will review your proposed location for approval (Section 7.1 of the Franchise Agreement). We have not previously charged a fee for these services. We estimate that the fee we could charge in the future would be \$1,000. You are not required to use these services. We do not generally own the premises and then lease it to the franchisee.

You are responsible for selection of the site of your Restaurant. However, we may assist you and may recommend a site for your Restaurant. We must also approve the site for your Restaurant. The factors that we may consider when we recommend or approve a site include traffic count, population/households, median income, percentage socio-economic profiles, lease terms, endcaps at busy corners/free standing buildings, location, neighborhood, quality and adaptability of the building. The Franchise Agreement does not establish a time limit for our approval or disapproval of a site. If you propose a site, we can usually give our approval or disapproval within 30 days. If we cannot agree on a site and your Restaurant is not opened within the time specified in the Franchise Agreement, the Franchise Agreement may be terminated. Our approval of a location will remain effective only if you meet the following deadlines: (a) within a period of three months from approval, you must have a signed lease for the approved location; and (b) within a period of nine months from approval, you must open your Restaurant for business. If you do not sign a lease for the approved location within

the three month period or open your Restaurant for business at the approved location within the nine month period, the location will have to be re-submitted to us for approval.

2. We may, in our discretion, assist you in negotiating a lease for your Franchise Location (Section 5.1 of the Franchise Agreement). We may charge a reasonable fee for this service. We have not previously charged a fee for these services. We estimate that the fee we could charge in the future would be \$1,000. You are not required to use these services. We will not provide legal services in connection with your lease or evaluate or be responsible for the commercial reasonableness or suitability of your lease. Those are your responsibilities and we recommend that you engage independent counsel to assist you in the evaluation and negotiation of your lease.

3. We or our designated representative will specify the standard format for the construction or improvement of your Franchise Location and may, in our discretion, assist you in the process of construction or improvement of your Franchise Location (Section 5.2 of the Franchise Agreement). We may charge a reasonable fee for these services.

4. We will specify and provide sources of supply for the equipment, fixtures, signs and inventory necessary for you to begin operation of your Restaurant (Section 5.3 of the Franchise Agreement).

5. We will loan you one copy of our Operations Manual, Food Guide, and Prep Guide for use in the operation of your Restaurant (Section 5.4 of the Franchise Agreement).

6. We will provide an initial training program to train you in all aspects of operation of your Restaurant (Section 5.5 of the Franchise Agreement). The training program is described in more detail below in this Item under the heading "Training."

7. We will provide one or more representatives for up to seven days, without charge, to assist in the opening and initial operation of your Restaurant. If you request the assistance of our representatives beyond the seven day period, we may provide representatives for an additional period of time, but you must pay a charge for these additional services in an amount determined by us (Section 5.6 of the Franchise Agreement).

8. We will designate the products and services to be offered by your Restaurant (Section 5.7 of the Franchise Agreement).

9. We will provide guidance for you on an initial grand opening promotion (Section 9.1 of the Franchise Agreement). Our advertising program is described in more detail below in this Item under the heading "Advertising."

Our obligations as outlined above generally will not apply if you are renewing your unit franchise or acquiring an existing unit franchise by transfer except that, on a transfer we may provide the initial training described in number 6 above (see the Renewal Addendum and Transfer Addendum).

Time of Opening

We expect franchisees to open their Savvy Sliders Restaurant franchise within approximately nine months after signing the Franchise Agreement or paying consideration to us. The main factors that we expect to affect this time period are requirements and timetable of approval from the municipality, ability to complete training, lease negotiations, time for improvement of the location and your personal timetable.

During Operation

During the operation of your franchise:

1. We will loan updates to you, as they become available, of our Operations Manual and other specifications for all aspects of your Savvy Sliders Restaurant franchise (Section 5.4 of the Franchise Agreement).

2. We will provide one or more representatives for up to seven days, without charge, to assist in the opening and initial operation of your Restaurant. If you request the assistance of our representatives beyond the seven day period, we may provide representatives for an additional period of time, but you must pay a charge for these additional services in an amount determined by us (Section 5.6 of the Franchise Agreement).

3. We will designate the products and services to be offered by your Restaurant and continually provide you with any updates in our specifications for products or services. We will provide sources of supply for all authorized products or services (Section 5.7 of the Franchise Agreement).

4. We will provide reasonable operational advice and assistance to you by telephone or Internet, including advice on specific services or products, if requested by you (Section 5.8 of the Franchise Agreement).

5. We will administer our advertising programs. We will also review for approval any advertising proposed by you (Sections 5.9, 9.2 and 9.3 of the Franchise Agreement). Our advertising program is described in more detail below in this Item under the heading "Advertising."

6. We will indemnify you against liability to third parties resulting from claims by third parties that your use of the Franchise Marks infringes trademark rights of the third party, but only if (a) you have used the Franchise Marks in accordance with the requirements of the Franchise Agreement and our specifications and (b) you have given notice to us of the claim within ten days of receipt by you of the claim and you have tendered the defense of the claim to us (Sections 5.10 and 6.4 of the Franchise Agreement).

7. We will make all modifications to or substitution of the Franchise Marks on a uniform basis for all similar situated Restaurants in a particular market (Section 6.6 of the Franchise Agreement).

8. If your initial Franchise Location becomes unusable, we will review for approval any alternative location proposed by you (Section 7.1 of the Franchise Agreement).

9. We will review proposed transferees of your Savvy Sliders Restaurant franchise for approval (Section 13.3 of the Franchise Agreement).

Advertising

We will provide guidance to you on an initial grand opening promotion, which may include grand opening advertising, free-standing inserts, direct mail, neighborhood and business to business marketing, newspaper advertising, public relations and publicity ideas. You are responsible for all costs and expenses related to the grand opening advertising. You must spend an amount specified by us, not to exceed \$15,000, to conduct grand opening advertising and promotions (this amount is separate from and in addition to any advertising fees and additional advertising program contributions you will pay to us). The grand opening and advertising promotions must occur within the period beginning two months before the opening of your Restaurant and ending two months after the opening of your Restaurant. You must provide documentation to us that you have spent the required amount on grand opening advertising and promotions within the specified time frame. If you do not provide this documentation, or you do not spend the specified amount on grand opening advertising and promotions within the prescribed time frame, you must pay the amount not satisfactorily documented or not spent to us on demand. These funds will either be spent on your behalf to execute a grand opening promotion for your Restaurant or be used in our advertising programs. See Section 9.1 of the Franchise Agreement.

You must pay a weekly advertising fee to us or an advertising company designated or approved by us, which may be our affiliate. The amount of the weekly advertising fee will be specified by us, but will not exceed \$1,500 per week without your consent. The \$1,500 limit does not apply to charges for printed materials, such as menus. We will use these advertising fees to conduct or administer our advertising programs. We may also use your advertising fees to conduct joint advertising with other franchisees. The weekly advertising fee may vary by market.

We may implement additional advertising programs not covered by the weekly advertising fee. You may, at your option, participate in those advertising programs. If you choose to participate in those programs, you will participate in the group pricing negotiated by us and you must pay your share of the cost of those programs to us at the times and in the manner specified by us.

Our affiliate, Savvy Sliders Advertising LLC, administers and places advertising for Savvy Sliders franchises and is the designated supplier for those services. Also, our affiliate, Happy's Pizza Advertising LLC, may administer and place advertising for Savvy Sliders franchises in some circumstances and is the designated supplier for those services in those circumstances. We or our designated affiliate (Savvy Sliders Advertising LLC or Happy's Pizza Advertising LLC) may cover our or its expenses incurred and may receive income in connection with the administration of advertising fees and the conduct of advertising. We may implement advertising programs for some but not all markets and the fees for advertising may be different in different markets. See Sections 4.3 and 4.4 of the Franchise Agreement.

In addition to your payment of advertising fees as described above, we may, after 30 days notice to you, require that you make periodic contributions to our advertising programs in an amount not to exceed 2% of your Gross Revenues. We may implement additional program contributions for some but not all markets and the amount of additional advertising program contributions may vary by market. We are not under any obligation to implement an additional advertising program contributions or to implement additional advertising program contributions within any specific or definite time frame or to continue an additional advertising program contributions if they are implemented. See Sections 4.3, 4.4, and 9.2 of the Franchise Agreement. As of the date of this Disclosure Document, we have not initiated any additional advertising program contributions.

The advertising fees and additional advertising program contributions (if implemented) are together referred to as the “advertising payments.” The advertising payments may be used in advertising programs administered by us or an affiliate or an agency designated by us and for the other purposes described below. Advertising payments may not be uniform for all franchisees because we may implement specific advertising programs for some but not all markets and because advertising programs and administrative expenses may vary by market. We will use the advertising payments to: maximize general public recognition and patronage of the Franchise Marks and Franchise Systems; formulate, develop and produce advertising, promotional programs, and sales support materials for use by franchisees; conduct advertising and promotional programs on a national, regional or local level; provide marketing support services to franchisees; develop, maintain, and support social media and other digital marketing for us and our franchisees; develop, maintain, and support the Franchise Technology, including websites, Computer Systems, online ordering systems, digital menus and display boards, and in-store marketing devices; obtain public relations services; pay the expenses of the advertising programs; and other uses determined by us. We may use the advertising payments to formulate, develop, and produce advertising and promotional programs and to conduct advertising and promotional programs on a national, regional or local level as we determine, in our discretion, to be most effective in achieving the goals of the advertising programs. We are not required to spend your advertising payments to place advertising in your local market or in any specific media. All expenses of the advertising programs will be paid from the advertising payments. We may engage the services of an advertising source or sources to formulate, develop, produce and conduct advertising and these costs will be paid out of the advertising payments. The advertising payments may be used to reimburse us for overhead, including the proportionate compensation of our employees or office and other costs we incur that relate to the formation, development and production of advertising or the administration of the advertising programs and advertising payments. Also, the advertising payments may be used for advertising that is primarily for the solicitation for the sale of franchises. We or one of our affiliates may receive income in connection with administration of the advertising programs and advertising payments. If we do not use advertising payments during the fiscal year in which they accrue, we will hold those payments for use in the following year. The advertising programs and advertising payments will not be audited. We will submit to you, on request, an annual report of the receipts and disbursements of the advertising programs, unaudited and prepared by our management. See Section 9.2 of the Franchise Agreement.

In the year ending December 31, 2023, we used advertising payments collected from our franchisees as follows: 26% for production; 57% for media placement (including direct mail, television, consulting, website management, digital advertising, and public relations); 5% for administrative (including overhead relating to marketing); and 12% for other (including providing

logoed goods). In the year ending December 31, 2023, we did not use any of the advertising payments collected from our franchisees principally to solicit new franchise sales.

You may produce and use your own advertising materials and place your own advertising, but only if you receive our approval in writing before placing the advertising. All advertising by you in any medium, including signage, must be factual and dignified, must conform to our standards and specifications (including use of trademark and copyright designations specified by us), and to the highest standards of ethical advertising practice. You must submit to us for approval all marketing and promotion materials, including signage, prepared by you for the Franchise Business and not prepared by or previously approved by us. These materials must be submitted at least 14 days before use. We will have the right to disapprove the use of any advertising materials by you at any time. Even if we previously approved the use of advertising materials, you must discontinue the use of advertising materials immediately after we request in writing. Your advertising and promotion must follow our guidelines, which may include limitations on the area or areas in which you may conduct advertising. If we specify, all your advertising must contain notices of: (a) our website domain name; (b) our toll-free telephone number; and (c) a statement regarding the availability of Savvy Sliders franchises. You must include the following language in all advertising: “Each Savvy Sliders Restaurant is independently owned and operated.” You are not allowed to advertise any products or services for your business or using the Franchise Marks except those products or services authorized by us.

You must not use the Internet, toll-free telephone numbers or any social networks, wikis, podcasts, online forums, content sharing communities, blogging, microblogging or other social media or similar methods with potential local, regional, national or worldwide scope in connection with the Franchise Business, except with our written consent and then only in accordance with our policies and procedures. We may maintain an Internet site, social media or toll-free telephone numbers for the franchise system and allow you to participate in business generated by those methods under our guidelines.

Point of Sale and Computer Systems; Franchise Technology

We may require you to use the website, point of sale and computer systems, intranet, extranet, mobile applications, and/or other technology developed and maintained by us or on our behalf (the “Franchise Technology”). Uses of the Franchise Technology may include, but are not limited to, advertising for all Savvy Sliders Restaurants, lists of Savvy Sliders Restaurants, online ordering for Savvy Sliders Restaurants, inventory control for franchisees, entering sales and other information, making schedules, projecting sales, reviewing reports, entering payroll, placing orders with Franchisor or designated suppliers, posting the Operations Manual and communication between Franchisor, franchisees and customers. You must use the Franchise Technology specified by us in your Franchise Business and in the manner specified by us.

You must purchase or lease the point of sale (“POS”), customer management, and/or other computers systems (including computer hardware and software) (the “Computer Systems”) we specify for your Franchise Business and use the specified Computer Systems in your Franchise Business in the manner we specify. Also, you must pay all support, maintenance, update and upgrade costs to maintain the specified POS Systems in the manner specified by us.

The Computer Systems and Franchise Technology that we currently specify for establishing and operating a Savvy Sliders Restaurant franchise include a POS system, menu boards, and a SaaS (software as a service) application for ordering online or from mobile devices. The Computer Systems and Franchise Technology for a typical Restaurant include the following hardware and software: one server computer; two additional computer workstations; three touch screen monitors; three printers; a fax/copier/printer; two cash drawers; POS system software; and a SaaS application for online ordering and mobile applications. If the Franchise Business has a drive-through window, you will need two additional workstations and one cash drawer and printer. The estimated cost of purchasing the POS system is \$15,000 to \$27,000. The POS system is used for taking orders, retaining customer order histories, delivery/driver management, menu management, management reporting, time clock functions and other operating functions and reporting for the Franchise Business. The SaaS application allows franchisees to take orders from customers from online or mobile applications. The POS system and SaaS application must be acquired from our designated suppliers. We currently provide the 1st level of maintenance and support for the POS system (currently included in our technology fees). Our support is backed by a use and support contract you must obtain from the designated POS system vendor. The cost of the POS system use and support contract is approximately \$280 to 400 per month plus gateway fees of 2.5 cents per in-store transaction. The POS system use and support contract covers use of the system, advanced exchange hardware support, and replacement for certain items. The SaaS application for ordering online or from mobile devices, which is licensed on a subscription basis and is centrally hosted, is separate from the POS system (although it is integrated with the POS system). Under our arrangement with the SaaS application provider, you will pay us for use and limited support of the application (currently included in our technology fees). We also currently specify that our franchisees obtain a laptop computer or tablet for purposes of receiving notices from us and communicating with us as needed. It is estimated that the cost of a laptop computer will range from \$500 to \$1,500.

In addition to the fees described above, you must pay us technology fees in an amount we specify (currently \$300 to \$600 per month depending on the Franchise Technology used in your Franchise Business). We may use the technology fees for expenses relating to the development, support, and maintenance of the Computer Systems and Franchise Technology. Currently, the technology fees cover the first level of support we provide to you for the POS system and use and limited support of our designated online ordering application. Although you will pay technology fees to us, you will still be responsible for any license fees and the expense of maintenance and updates, including service contracts, relating to the Computer Systems and other Franchise Technology used in your Franchise Business. In addition to the technology fees, we may collect from you and pay to third parties initial set-up and ongoing licensing fees for any Franchise Technology provided by third parties. We may also charge you a fee to manage any Franchise Technology provided by third parties, which may be in addition to the technology fees.

We may add a self-serve ordering kiosk to our specifications in the near future. We do not yet have cost estimates for the kiosk. Also, we are looking into the possibility of a lease for all or a portion of the Computer Systems and Franchise Technology and that option may be available in the future. Under the lease option we expect the up-front costs to go down and you will pay a monthly fee instead for the equipment. We do not yet have cost estimates for this option.

We may develop, acquire, update or endorse Computer Systems and specifications for certain components of the Computer Systems in the future and may modify those specifications and the components of the Computer Systems in the future. As part of the Computer Systems, we may require you to obtain specified computer hardware and software including, without limitation, a license to use proprietary software developed by us or others and service agreements. Modification of the specifications for the components of the Computer Systems may require you to incur costs to purchase, lease or license new or modified computer hardware and software and to obtain service and support for the Computer Systems during the term of your Franchise Agreement. Within 90 days after you receive notice from us, you must obtain and have operational the components of the Computer Systems that we specify. There are no contractual limitations on the cost or frequency of your obligation to update or upgrade Computer Systems during the term of your franchise.

We have the right to independently access the sales information and other data produced by and stored on the Computer Systems and there are no contractual limitations on our right to access and use that information and data. You must provide us access to the information on the POS Systems in the manner specified by us and must supply us with any security codes necessary to obtain that access. We may retrieve, analyze, download and use the software and all data on your POS Systems at any reasonable times as long as the access does not unreasonably interfere with the operation of your Franchise Business. Our rights to use the POS Systems data includes the right to deliver the data to any third party we deem appropriate in our sole discretion; provided that the identity and other personal information of your owners are not disclosed.

You must comply with the Payment Card Industry (“PCI”) Data Security Standard (“DSS”) Requirements and Security Assessment Procedures and other applicable PCI requirements (“PCI Requirements”) in connection with the operation of your Restaurant. It is your responsibility to research and understand the PCI Requirements and to ensure that your business policies and practices comply with the PCI Requirements. Although we may provide advice and/or specify or provide POS systems or business software, we do not represent or warrant that those systems or software comply with the PCI Requirements and it will be your sole responsibility to ensure that your business practices comply with the PCI Requirements. You agree to indemnify us and our affiliates, agents and employees from any liability, damages, costs, and expenses (including reasonable attorneys’ fees) incurred by us or our affiliates, agents, and employees as a result of or related to your failure to comply with the PCI Requirements.

Operations Manual

Our Operations Manual provides details concerning the methods of operation of Restaurants. There are approximately 138 pages in our Operations Manual. The Table of Contents of the Operations Manual is attached as Exhibit G. You will be loaned a copy of the Operations Manual after completing training for use during the term of the Franchise Agreement. The Operations Manual remains our property, must not be duplicated, and must be returned to us on expiration or termination of the Franchise Agreement. You must at all times ensure that your copy of the Operations Manual is kept current and up to date. If there is a dispute as to the contents of the Operations Manual, the terms and dates of the master copy of the Operations Manual maintained by us at our place of business will be controlling. In addition to any Operations Manual, we may provide written specifications to you in bulletins, newsletters, emails or other written or electronic materials.

Training

TRAINING PROGRAM

Subject	Hours of Classroom Training	Hours of On-The-Job Training	Location
Operation of a Restaurant	Up to 50	Up to 500	Our Offices and Restaurants in Southeast Michigan

We will make available an initial training program to train you to operate your Restaurant. The training program is summarized in the preceding table. If the franchisee is not an individual, we will provide the training to a designated owner or a manager level employee selected by you and approved by us that will be involved in the day-to-day operation of the Franchise Business. You (or your designated representative if the franchisee is a corporation or other entity) must complete the training program specified by us before operating your Restaurant. The training program must be completed to our satisfaction. We recommend that the training be completed not more than 30 days before you open your Restaurant.

We will train up to two persons (designated owners or managers) without charge. We may allow additional persons to attend the training program, but may, in that case, charge a reasonable fee. You are responsible for all travel and living expenses you or your employees incur during training. The persons attending training must sign an agreement relating to confidentiality and noncompetition in the form specified by us before beginning the training program (see Exhibit H).

Our initial training program will consist of up to one-week of classroom training at our offices and up to 90 days of training at a Restaurant or Restaurants in southeast Michigan designated by us. Our training materials include our Operations Manual and other written training materials. Our training program will be conducted as often as necessary to train new franchisees. The instructors in the training program have less than one year of experience in operating a Savvy Sliders Restaurant and over 20 years of experience in the industry.

Although the initial training program may include some instruction on liquor operations and handling liquor, if you sell liquor at your Restaurant, you will be solely responsible for complying with all applicable state and local laws and regulations related to liquor licensing and serving alcoholic beverages. You are also solely responsible for training your employees on handling liquor and serving alcoholic beverages.

If we determine that you have not completed the training program to our satisfaction or that you or your team of employees is not ready to open your Restaurant to the public in accordance with our standards, we may: (a) require you and/or your employees designated by us to attend additional training before the Restaurant opens to the public; and/or (b) require you to use additional assistance from our representatives for a period of time during and after opening of the Restaurant. The additional training and/or assistance will be at your expense, including a charge for our out-of-pocket expenses plus an hourly or per diem rate for the training personnel and/or representatives.

You or your owners (or, if we authorize, a manager) must attend additional training, sales programs and meetings reasonably specified by us. We will give you reasonable notice of any additional specified training, sales programs or meetings. We do not intend to charge you for any training provided beyond the initial training program, however, you are responsible for all travel and living expenses you or your employees incur when attending the additional training, sales programs and meetings. We may require you to complete additional training before offering new products or services from your Savvy Sliders Restaurant franchise. These additional programs will generally be conducted at our Training Facility or a Restaurant in southeast Michigan.

We may require that your managers, including replacement managers, satisfactorily complete our training programs and additional training programs. We may charge reasonable fees for training managers. You must assist us in training other Savvy Sliders franchisees, but we will reimburse your out-of-pocket expenses for providing this assistance.

You will be responsible for training all of your employees who work in any capacity in your Franchise Business and will be responsible for all employees' compliance with the operations standards that are part of the Franchise Systems. You must conduct your employee training in accordance with our specifications.

No compensation or other benefits will be paid by us to you, your principals, owners, managers or employees for any services performed by you or your principals, owners, managers or employees during training at any Restaurant operated by us, our affiliates or any other person. You will be responsible for compliance with all minimum wage and hour and other employment laws applicable to your employees attending training and/or providing services during training. You are responsible for any injuries sustained by you, your principals, owners, managers or employees while attending training. You must maintain worker's compensation and/or employer's liability insurance coverage as required by law for all of your employees while attending training. You must show us proof of that coverage on request.

Services May be Provided by Area Representative

If there is an area representative in the area in which your unit franchise is located, the area representative may be responsible for performing some or all of the obligations described above that would otherwise be performed by us. For providing those services the area representative may receive a portion of the ongoing fees that you will pay to us (see Items 5 and 6).

ITEM 12--TERRITORY

Franchise Location

You must operate your Restaurant only from a specific location, which will be designated in Item 2 on Appendix A to the Franchise Agreement. If the exact location for your Restaurant has not been determined before signing of the Franchise Agreement, you must use your best efforts to find a suitable location for your Restaurant within the area designated in Item 2 on Appendix A to the

Franchise Agreement. You must always operate your Restaurant only at a location approved in writing by us.

You cannot relocate your franchise without our approval. If the Franchise Location approved by us becomes unusable for the Franchise Business, you must use your best efforts to find a substitute location for the Franchise Business. The substitute location must be approved in writing by us. The factors we consider for approving a new location are the same factors we consider for your initial location (see Item 11). If the Franchise Location became unusable through no fault of yours and a substitute location is not available, the Franchise Agreement will terminate on conclusion of operation of the Franchise Business at the Franchise Location.

Limitations

The rights we grant to you relate only to the sale of products over-the-counter at the Franchise Location. You are not granted a minimum or maximum territory in which to operate your Franchise Business. As long as you sell products at your Franchise Location and you follow our rules on advertising and solicitation of customers, you are not limited in the area from which you may draw your customers. You will have the right to deliver immediately consumable products to individual and catering customers within an area determined by a driving time or distance or area specified by us and in accordance with our specifications and policies for delivery, but any other delivery of products is prohibited without our written consent. Your delivery area may not include all of your Protected Area (defined below). Your advertising and promotion must follow our guidelines, which may include limitations on the area or areas in which you may conduct advertising. You will also have no right to solicit or conduct business through the use of toll free telephone numbers, catalogs, direct mail, internet or other advertising or solicitation methods not involving only sales over-the-counter at your Franchise Location or delivery in accordance with our specifications and policies for delivery and in the area specified by us except with our prior written approval.

Protected Area; Exclusivity; Exceptions

You will not receive an exclusive territory. You may face competition from other franchises, from outlets that we own, or from other channels of distribution or competitive brands that we control. As described below, we do grant you limited rights in your Protected Area.

As long as you are not in any type of breach or default of your Franchise Agreement, we will not open or authorize any other person to open a restaurant location that is operated under the Savvy Sliders name in the area that is within a one mile driving distance from your Franchise Location (your "Protected Area"). However, if your Franchise Location is in a densely populated area, your Protected Area may be an area that is less than a one mile driving distance and that area will be agreed to in writing before signing the Franchise Agreement and will be described in Item 3 of Appendix A to the Franchise Agreement. The driving distance from your Franchise Location will be conclusively determined by us using driving distance as represented by Yahoo! Maps (or a comparable source designated by us) when requesting driving directions from your Franchise Location to the potential location. Your limited rights relate to location only and do not grant you any exclusivity of marketing or customers. Subject to any specifications and policies for delivery and the limitations on delivery

areas specified by us, all Savvy Sliders Restaurants may sell and deliver their products and services to any customer, even if the customer is within your Protected Area.

As exceptions to your limited rights in your Protected Area: (a) we and our affiliates may operate or authorize other persons to operate businesses under the Franchise Marks and Franchise Systems and/or to offer and sell products and services offered at Savvy Sliders Restaurants at the following types of locations in your Protected Area: corporate cafeterias; institutional accounts (including grocery stores and warehouse clubs); offsite events (e.g. art fairs, fundraisers, etc.); stadiums; and locations with relatively fixed populations (e.g. airports, military bases, college campuses, hospitals and other medical facilities, indoor regional malls, large office buildings); and similar locations; and mobile locations, such as food trucks; and (b) our affiliate, Happy's Pizza, may operate and authorize others to operate Happy's Pizza Co-Branded Restaurants (Happy's Pizza restaurants co-branded with the Savvy Sliders name) in your Protected Area. A Happy's Pizza Co-Branded Restaurant will have a menu that includes Savvy Sliders products as well as Happy's Pizza products and will include signage using the Savvy Sliders name and the Happy's Pizza name.

Achievement of Certain Sales Volume

After you have operated the Franchise Business for 12 months or more, you must achieve minimum total Gross Revenues of \$700,000 for each calendar year ("Minimum Performance Requirement"). If you fail to meet the Minimum Performance Requirement for a calendar year, we may provide written notice of the failure to you. If, after the notice, you do not meet the Minimum Performance Requirement for the next consecutive calendar year, we may have our employees or third party contractors work with you and assist you in improving your operations and increasing your revenues. You will be responsible for all costs associated with that assistance, including travel and living expenses and a per diem or hourly charge for the employees and third party contractors providing the assistance. In addition, if we have provided notice to you of failure to meet the Minimum Performance Requirement for a calendar year within 90 days of the end of that calendar year and you fail to meet the Minimum Performance Requirement for a second consecutive calendar year, we may elect to terminate the Franchise Agreement.

Reservation of Rights

All rights not expressly granted to you in your Franchise Agreement relating to the Franchise Marks and Franchise Systems are reserved to us, including but not limited to the right to: (a) operate and authorize others to operate Savvy Sliders restaurants at any location outside your Protected Area; (b) operate and authorize others to operate businesses that are the same or similar to a Savvy Sliders restaurant under names or trademarks other than the Savvy Sliders name at any location inside or outside your Protected Area; (c) operate and authorize others to operate businesses that are different from the business of a Savvy Sliders restaurant under the Franchise Marks or any other names or trademarks at any location inside or outside your Protected Area; (d) the right to use or authorize others to use the Franchise Marks and/or Franchise Systems, or any other trademarks or systems, in connection with the manufacture and sale of products at wholesale or retail, through the use of toll free telephone numbers, catalogs, direct mail, over the Internet or through any other distribution channels; (e) acquire the assets or ownership interests of one or more businesses providing products and services similar to those provided at a Savvy Sliders restaurant, and franchising, licensing or creating similar

arrangements with respect to those businesses once acquired, wherever those businesses (or the franchisees or licensees of those businesses) are located or operating (including in your Protected Area); and (f) be acquired (whether through acquisition of assets, ownership interests or otherwise, regardless of the form of transaction), by a business providing products and services similar to those provided by Savvy Sliders restaurants, or by another business, even if the business operates, franchises and/or licenses competitive businesses in your Protected Area.

We are not restricted from soliciting or accepting orders from customers in your Protected Area, which may include Internet, catalog sales, business-to-business marketing, telemarketing or other direct marketing, using the Franchise Marks and System or other trademarks and systems. We are not required to compensate you for soliciting or accepting orders from your Protected Area.

We and our affiliates are not prohibited from operating and authorizing others to operate businesses that are the same or similar to a Savvy Sliders restaurant under names or trademarks other than the Savvy Sliders name. As noted in Item 1, our affiliate, Happy's Pizza, franchises others to operate Happy's Pizza restaurant businesses that specialize in pizza, ribs, chicken, seafood, subs, salads, and other food products. Happy's Pizza restaurant businesses generally operate under the Happy's Pizza name and not the Savvy Sliders name (except in the case of Happy's Pizza Co-Branded Restaurants). As noted in Item 1, FBPF franchises others to operate Fat Boy's Pizza Restaurant franchises that operate a contemporary, high quality, family-oriented, fast-casual sports-themed restaurant featuring over-sized pizza pies and slices, chicken wings, premium daiquiris, draft beer, soft drinks and related items. Fat Boy's Pizza Restaurant businesses generally operate under the Fat Boy's Pizza name and not the Savvy Sliders name (except in the case of Fat Boy's Pizza Co-Branded Restaurants). Happy's Pizza and Fat Boy's Pizza restaurants operated by Happy's Pizza, FBPF, or others may solicit or service customers from your Protected Area. We, Happy's Pizza, and FBPF intend to let the Savvy Sliders, Happy's Pizza, and FBPF franchise systems follow normal expansion plans. We will resolve any conflicts between us and our franchisees or between franchisees in each system regarding territory, customers and franchisor support using our business judgment. Happy's Pizza's principal business address is the same as our principal business address. FBPF's principal business address is 2565 Metairie Rd., Suite 100, Metairie, Louisiana 70005. We and Happy's Pizza do not maintain or plan to maintain physically separate offices and training facilities for each franchise system. FBPF does maintain and plans to continue to maintain physically separate offices and training facilities. Except for Happy's Pizza and FBPF, we and our affiliates do not operate or franchise and have no plans at this time to operate or franchise a business under a different trademark that will sell goods or services similar to those that you will offer.

Franchisee Options; Additional Franchises

You will not have any options, rights of first refusal or similar rights to acquire additional franchises within any specified territory or any contiguous territories. We may allow you to acquire additional franchises if you meet our qualifications in place at that time for acquiring a franchise and ownership of multiple locations. These qualifications may include standards of character, business experience, financial strength, credit standing, health, reputation, business ability, experience, availability of management personnel, etc.

ITEM 13--TRADEMARKS

Principal Franchise Marks

You must operate your Restaurant under the Franchise Marks. As of the date of this Franchise Disclosure Document, our principal trademarks include "Savvy Sliders[®]" and our logo, which are represented on the cover page of this Franchise Disclosure Document. Our affiliate, Savvy Sliders Company LLC, owns our principal trademarks. We have a nonexclusive license to use these trademarks in connection with the franchising of Savvy Sliders Restaurants. The current license is dated July 16, 2019. The term of the license is perpetual. The license may be terminated based on a default or insolvency. If the license is terminated, we and our sublicensees/franchisees must cease using the Franchise Marks. Except for normal quality control and trademark marking requirements, the license does not place limitations on our use and sublicensing of the Franchise Marks.

We intend to file all required affidavits relating to our principal trademarks. The status of the filings and federal registrations with the U.S. Patent and Trademark Office ("USPTO") for certain Franchise Marks is as follows:

Trademark	Application Date and Number	Registration Date and Number	Status
SAVVY SLIDERS [®]	October 23, 2018; 88165913	October 1, 2019; 5,871,501	Principal Register Registration

Determinations, Agreements or Uses Affecting Franchise Marks

In our agreement with Happy's Pizza that authorizes Happy's Pizza to operate and authorize others to operate Happy's Pizza Co-Branded Restaurants, we have agreed not to operate or authorize others to operate a Savvy Sliders restaurant that is located in the exclusive area of the Happy's Pizza Co-Branded Restaurant.

Except as may be described above, there are no currently effective material determinations of the USPTO, Trademark Trial and Appeal Board, the Trademark Administrator of any state, or any court, any pending interference, opposition or cancellation proceeding nor any pending material federal or state court litigation involving our principal Franchise Marks. Except as may be described above, there are no agreements currently in effect that limit our rights to use or license the principal Franchise Marks in any manner material to your franchise. We do not know of any superior prior rights or infringing uses of the Franchise Marks that could materially affect your use of our Franchise Marks.

Franchisee's Obligations

You must use the Franchise Marks only in accordance with our rules. You must only use the Franchise Marks in connection with the operation of your Restaurant pursuant to the Franchise Systems and only in the manner specified in the Franchise Agreement or otherwise specified by us. You must not use the Franchise Marks in connection with any products and services not authorized by us in writing. You must not reproduce or cause to be reproduced any Franchise Marks in any

manner, including reproduction on printed material and signs, in connection with advertising, marketing or promotion or on the Internet or in an Internet domain name, homepage, electronic address or otherwise in connection with a website, or in connection with any social networks, wikis, podcasts, online forums, content sharing communities, blogging, microblogging or other social media, without our written approval. You must not use the Franchise Marks in your corporate, partnership or limited liability company name. If you receive notice, or are informed, of any claim, suit or demand against you on account of any alleged infringement, unfair competition, or similar matter on account of your use of the Franchise Marks, you must promptly notify us of any such claim, suit or demand. If you receive notice or are informed or learn that any third party, who you believe is unauthorized to use the Franchise Marks, is using the Franchise Marks or any name or trademark confusingly similar to the Franchise Marks, you must promptly notify us of the facts relating to such alleged infringing use.

Defense of the Franchise Marks

If we become aware of a claim against you relating to your use of the Franchise Marks, we will take such action as we deem necessary and appropriate to protect and defend you against the claim. You must not settle or compromise any claim by a third party without our written consent. We will have the sole right to defend, compromise or settle any such claim, in our discretion, using attorneys of our choosing, and you agree to cooperate fully with us in connection with the defense of any such claim. You may, if you choose, participate at your own expense in such defense or settlement, but our decisions with regard to the Franchise Marks will be final.

We will indemnify you against liability to third parties resulting from claims by third parties that your use of the Franchise Marks infringes trademark rights of the third party, but only if (1) you have used the Franchise Marks in accordance with the requirements of the Franchise Agreement and our specifications and (2) you have given notice to us of the claim within 10 days of receipt by you of the claim and you have tendered the defense of the claim to us. Otherwise, the Franchise Agreement does not require us to participate in your defense and/or to indemnify you for expenses or damages if you are a party to an administrative or judicial proceeding involving the Franchise Marks or if the proceeding is resolved unfavorably to you.

Prosecution of Infringers

If we become aware that a third party who is unauthorized to use the Franchise Marks, is using the Franchise Marks or any name or mark confusingly similar to the Franchise Marks, we will then, in our sole discretion, determine whether or not we wish to take any action against the third person. You will have no right to make any demand against any alleged infringer or to prosecute any claim of any kind or nature whatsoever against an alleged infringer. If we choose to prosecute any violation of the Franchise Marks, you must sign all documents and do all acts necessary or incidental to that action as our attorneys may reasonably request.

Modification of Franchise Marks

We may, in our discretion, change the Franchise Marks, including adding, discontinuing or modifying the Franchise Marks, or substituting different Franchise Marks. We may make these changes

because of the rejection of any pending registrations or the revocation of any registrations of the Franchise Marks, or due to the rights of senior users, or for other business reasons, except that we must make all such changes in the authorized Franchise Marks on a uniform basis for all similarly situated Restaurants in a particular market. If we change the Franchise Marks, you will have the right to use the modified Franchise Marks and you will have the obligation to make those changes at your expense.

ITEM 14--PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

Patents and Copyrights

We do not own any patents that are material to your franchise. We do not have any pending patent applications that are material to your franchise. We claim copyright protection for our written materials, including Menus, Operations Manuals and marketing materials.

Proprietary Information

Our Operations Manual, specifications and procedures and other aspects of the Franchise Systems are considered proprietary and confidential. This information may include site selection criteria, training and operations materials, recipes, methods, formats, specifications, standards, systems, procedures, sales and marketing techniques, knowledge and experience, knowledge of operating results, financial performance and related intellectual property. You must use our specifications and procedures and the other aspects of our Franchise Systems only as provided in the Franchise Agreement. You must not use our specifications and procedures or any other aspect of our Franchise Systems in any unauthorized manner and you must take reasonable steps to prevent disclosure of this information to others. You must have your employees sign an agreement relating to confidentiality and non-competition (management employees) or an agreement relating to confidentiality (rank and file employees) in a form specified by us before disclosing confidential information to them (see Exhibit H).

Determinations, Agreements or Uses Affecting Proprietary Information

There are no currently effective material determinations of the United States Copyright Office or any court regarding any of our copyrighted or confidential materials. There are no agreements currently in effect that limit our rights to use or license the copyrighted materials or any of our confidential information. We do not know of any superior prior right or infringing uses of our copyrighted materials or our confidential information that could materially affect your use of those materials or information.

Defense of Copyrights and Confidential Information

We are not required by any agreement to protect or defend our copyrights or confidential information or to take affirmative action when notified of infringement of our copyrights or confidential information or to defend you against claims arising from our use of copyrighted or confidential information, although we intend to protect our System. If there is litigation involving our copyrights or confidential information, we would have the right to control that litigation. We do not

have an obligation under the Franchise Agreement to participate in your defense or to indemnify you for expenses or damages in a proceeding involving a copyright or confidential information licensed to you.

Modification of Copyrights and Confidential Information

We may, in our discretion, modify our copyrights and confidential information. If we modify our copyrights or confidential information, you will have the right under the Franchise Agreement to use the modified materials and you will have the obligation to make changes specified by us at your expense.

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

You, or if you are a corporation, partnership, limited liability company or other entity, at least one of the persons designated in Item 5 on Appendix A of the Franchise Agreement (a "Designated Owner") must: (a) devote his or her full time and effort to the day-to-day active management and operation of the Franchise Business; (b) personally exercise his or her best efforts to market the Franchise Business and maximize customer satisfaction; (c) preserve and exercise ultimate authority and responsibility with respect to the management and operation of the Franchise Business; and (d) represent and act on behalf of the franchisee in all dealings with us. Each Designated Owner must have an ownership interest in the franchisee. If you desire to have a manager, other than a Designated Owner, devote full time and effort to the day-to-day management and operation of the Franchise Business, the manager must successfully complete our training program and must be approved by us in writing. We must also approve, in writing, any change in management personnel. The on-premises manager is not required to have an equity interest in the franchise. As described in Item 14, you must have your manager sign an agreement relating to confidentiality and non-competition (see Exhibit I).

If the Franchisee is a corporation, partnership, limited liability company or other entity, the owners must personally guaranty all of the franchisee's obligations to us (see the "Obligations and Representations of Individuals Involved in Franchise Business" at the end of the Franchise Agreement and Appendix D to the Franchise Agreement—Personal Guaranty and Subordination Agreement).

ITEM 16--RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

You must only sell products and services approved by us (see Items 8 and 9). You must sell all products and provide all services that we specify for sale for your Restaurant. You must not sell any products, provide any services or engage in any business at your Restaurant other than those specified by us without written authorization from us. We may add or delete required or authorized products or services to be provided by your Restaurant. If any products or services are added, you must be qualified to provide the products and services before we will authorize you to offer those products and services. If a product or service is deleted, you must cease offering that product or service immediately on written notice from us. We will make all changes in the required products and services for good faith

marketing reasons and on a uniform basis for all similarly situated Restaurants in a particular market, except when test marketing products or services.

You must only sell your products and services over-the-counter at your Franchise Location except that you may deliver immediately consumable products to individual and catering customers in accordance with our specifications and policies for delivery and within a driving time or distance or area specified by us. Any other delivery of products is prohibited without our written consent. Your advertising and promotion must follow our guidelines, which may include limitations on the area or areas in which you may conduct advertising. You must not solicit or conduct business through the use of toll free telephone numbers, catalogs, direct mail, internet or other advertising or solicitation methods not involving only sales over-the-counter at the Franchise Location or delivery in accordance with our delivery format. See Item 12.

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

THE FRANCHISE RELATIONSHIP

These tables list 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 Agreement	Summary
a. Length of the franchise term	Section 3.1 of Franchise Agreement; Section D of Renewal Addendum; Section D of Transfer Addendum; Section 5 of Co-Brand Addendum	5 years from the date of opening of the Franchise Business
b. Renewal or extension of the term	Section 3.2 of Franchise Agreement; Renewal Addendum; Section D of Transfer Addendum	Two 5-year options
c. Requirements for you to renew or extend	Section 3.2 of Franchise Agreement; Section C of Renewal Addendum	Not in default; no multiple defaults within last 12 months; provide notice; maintain possession of Franchise Location; refurbish Franchise Location to meet current standards; has satisfied payment and reporting requirements throughout the previous term; satisfy current training standards; sign a general release; sign new Franchise Agreement or an agreement to extend the existing Franchise Agreement; pay a renewal fee; comply with other standards; and we have approved the renewal. As a condition of renewal, you may be asked to sign a Franchise

Provision	Section in Agreement	Summary
		Agreement with materially different terms and conditions than your original Franchise Agreement.
d. Termination by you	Section 14.1 of Franchise Agreement	If we materially breach the Franchise Agreement and do not cure after notice.
e. Termination by us without cause	None	
f. Termination by us with cause	Sections 14.2 through 14.5 of Franchise Agreement; Section 6 of Co-Brand Addendum	If you default under the Franchise Agreement as defined in these Sections.
g. "Cause" defined—curable defaults	Sections 14.4 and 14.5 of Franchise Agreement	The notice and cure period for curable defaults is: 10 days for defaults involving the payment of money, failure to operate in accordance with system standards or failure to permit quality control checks, and failure to purchase products from designated suppliers; and 30 days for failure to obtain Franchise Location, failure to complete training, obtain necessary permits and licenses, a substantial number of complaints by customers, operating in a manner that presents a health or safety hazard, insolvency, bankruptcy, assignments for the benefit of creditors or similar proceedings, outstanding judgments, levies against the Franchise Business, failure to meet minimum performance requirements for two calendar years, disagreements between the owners of franchisee that materially and adversely affect the operation of the franchise, other material breaches by the franchisee or its owners or any of their affiliates of the Franchise Agreement or any other agreement with us, and cancellation of a guaranty.
h. "Cause" defined—non-curable defaults	Section 14.3 of Franchise Agreement	Non-curable defaults include: material misrepresentations or dishonesty; fraud; failure to have employees sign a confidentiality and non-competition agreement or confidentiality agreement (as applicable); any assignment that has not been approved by us; violation of civil or criminal laws; crimes; repeat defaults;

Provision	Section in Agreement	Summary
		failure to attend monthly meetings; abandonment; substance abuse; material and adverse conduct; and termination of lease or foreclosure on mortgage; otherwise loses right to occupy the Franchise Location; and assessed liquidated damages multiple times.
i. Your obligations on termination/non-renewal	Article 15 of Franchise Agreement; Sections 4 and 5 of Appendix H of Franchise Agreement – Confidentiality and Nondisclosure Agreement and Covenant not to Compete; Section 6 of Co-Brand Addendum	Complete de-identification; cease advertising; cease using proprietary information; remove and deliver to us materials containing the Franchise Marks and proprietary software and other equipment and products; assign telephone numbers, fax numbers email addresses, website addresses domain names and other electronic identifiers to us; cease using business name containing the Franchise Marks; payment of amounts due; sale of inventory to us at our request; and liquidated damages for loss of bargain.
j. Assignment of contract by us	Section 13.6 of Franchise Agreement	No restriction on our right to assign.
k. "Transfer" by you—defined	Section 13.1 of Franchise Agreement	Includes transfers of any interest in the Franchise Agreement, the Franchise Business or the assets of the Franchise Business, the Franchise Location, or ownership of the franchisee.
l. Our approval of a transfer by you	Sections 13.1 and 13.3 of Franchise Agreement	You must have our written consent to transfer your franchise. We will not unreasonably withhold consent if you meet conditions listed in the Franchise Agreement.
m. Conditions for our approval of the transfer	Section 13.3 of Franchise Agreement; Transfer Addendum	New franchisee qualifies and is not a competitor; transfer does not place unreasonable burdens on transferee; franchisee is in compliance with the Franchise Agreement and all amounts due to us and suppliers are paid; release signed by you; new franchisee completes training program; current Franchise Agreement signed by new franchisee or assumption agreement, at our option; new owners personally guaranty obligations; transfer fee paid; current requirements met; if the transfer involves installment payments, you

Provision	Section in Agreement	Summary
		must subordinate to us; landlord allows transfer of the lease to the new franchisee.
n. Our right of first refusal to acquire your business	Section 13.2 of Franchise Agreement	We can match any offer for the purchase of your business.
o. Our option to purchase your business	Section 15.3 of Franchise Agreement	We have the option to purchase the assets of your Restaurant if the Franchise Agreement expires or is terminated.
p. Your death or disability	Section 13.4 of Franchise Agreement	Your estate may operate the franchise if we approve a manager. If no acceptable manager is approved, the estate must transfer the franchise within 180 days. We may take over operation of your franchise in the interim period.
q. Non-competition covenants during the term of the franchise	Section 12.1 of Franchise Agreement; Section 5 of Appendix H of Franchise Agreement – Confidentiality and Nondisclosure Agreement and Covenant not to Compete	No involvement in competing business anywhere. This prohibition applies to you, your owners and employees and immediate family members.
r. Non-competition covenants after the franchise is terminated or expires	Section 12.2 of Franchise Agreement; Section 5 of Appendix H of Franchise Agreement – Confidentiality and Nondisclosure Agreement and Covenant not to Compete	No competing business for 3 years within certain geographic areas. This prohibition applies to you, your owners and employees and immediate family members.
s. Modification of the agreement	Sections 19.7 and 19.8 of Franchise Agreement; Section 10(b) of Appendix H of Franchise Agreement – Confidentiality and Nondisclosure Agreement and Covenant not to Compete	Amendments must be in writing and signed by both parties except: (a) we may unilaterally modify our specifications; and (b) all of your and your affiliates' existing franchise agreements are amended if you sign a franchise agreement for an additional Restaurant.

Provision	Section in Agreement	Summary
t. Integration/merger clause	Section 19.7 of Franchise Agreement; Section 10(b) of Appendix H of Franchise Agreement – Confidentiality and Nondisclosure Agreement and Covenant not to Compete	Only the terms of the Franchise Agreement are binding (subject to applicable state law—see Exhibit L); however, we do not disclaim and you do not waive reliance on any authorized statements in this disclosure document or in its exhibits and amendments.
u. Dispute resolution by arbitration or mediation	None	
v. Choice of forum	Section 16.4 of Franchise Agreement; Section 9 of Appendix D of Franchise Agreement—Personal Guaranty; Section 10(d) of Appendix H of Franchise Agreement – Confidentiality and Nondisclosure Agreement and Covenant not to Compete	Actions by you must and actions by us may be brought in the federal courts in Michigan or in the states courts in Michigan if the federal courts do not have jurisdiction (subject to applicable state law—see Exhibit L).
w. Choice of law	Section 16.3 of Franchise Agreement; Section 9 of Appendix D of Franchise Agreement—Personal Guaranty; Section 10(c) of Appendix H of Franchise Agreement – Confidentiality and Nondisclosure Agreement and Covenant not to Compete	Except for the U.S. Trademark Act and other applicable federal law, Michigan law applies (subject to applicable state law—see Exhibit L).

Applicable State law may require additional disclosures related to the information in this Franchise Disclosure Document. These additional disclosures, if any, appear in Exhibit L to this Franchise Disclosure Document.

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.

The following information is provided for the purpose of helping you evaluate the potential earnings capability of a Savvy Sliders Restaurant unit franchise. Please carefully read all information in this Item 19, including the notes following the table, which explain the information and the limitations on the information contained in this Item 19.

As of December 31, 2023, there were 29 Savvy Sliders Restaurant unit franchises in operation, all of which were franchised outlets. The Gross Sales information in the table is based on Gross Sales for the calendar year 2023 for the 21 of these franchised outlets that were open and had been operating for a full calendar year at the end of 2023.

Annual Gross Sales Information--2023

Description	2023 Average Annual Gross Sales	2023 Median Annual Gross Sales
All 21 Restaurants [9 of the 21 (43%) met or exceeded the average]	\$1,169,252	\$1,115,704
Top 25% of Restaurants [2 of the 5 (40%) met or exceeded the average]	\$1,694,767	\$1,617,143
Top 50% of Restaurants [4 of the 10 (40%) met or exceeded the average]	\$1,476,211	\$1,398,103
Bottom 25% of Restaurants [3 of the 5 (60%) met or exceeded the average]	\$774,911	\$791,795
Bottom 50% of Restaurants [6 of the 11 (55%) met or exceeded the average]	\$890,198	\$907,658

Of the 21 Restaurants represented in the Table above, the highest annual gross sales Restaurant for 2023 was \$1,982,457 and the lowest annual gross sales Restaurant for 2023 was \$619,225.

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

Notes to Table

1. "Gross Sales," as used in the table, means all revenues from the Restaurant, excepting only sales taxes collected and paid to the taxing authority, cash refunded and credit given to customers.
2. The figures in the table reflect, in part, information reported to us by independent owners of Savvy Sliders Restaurants. We do not know if the figures reported to us were audited or whether they were prepared in accordance with generally accepted accounting principles (GAAP). We have not independently audited the figures.
3. The Gross Sales data in the table is a compilation of information from existing Restaurants and should not be considered as the actual results that will be realized by you. Gross Sales do not reflect the actual potential net income of a Savvy Sliders Restaurant and should not be relied on in calculating profitability. There are a number of fixed and variable costs associated with the development and operation of a Savvy Sliders Restaurant that are not reflected above and that vary among individual Savvy Sliders Restaurant franchises. These expenses, which are likely to be significant, include, but are not limited to, the following: costs described in Items 6 and 7 of this Franchise Disclosure Document; rent and other occupancy costs; food and supplies; labor and other employee costs; utilities; taxes; insurance; repairs and maintenance; credit card and bank fees; royalty and advertising payments; interest or finance charges if you finance some or all of the cost of the franchise; depreciation on property and equipment; accounting and legal fees and general administrative expenses; any pre-opening or amortization of organization costs; costs associated with regulatory compliance; and management costs. We strongly encourage you to consult with your financial advisors in reviewing the information in this Item 19, in particular, in estimating the categories and amount of expenses you will incur in establishing and operating a Savvy Sliders Restaurant franchise.
4. You should be aware that the financial performance of any particular Savvy Sliders Restaurant franchise might be affected by a number of factors that may vary due to the individual characteristics of the Savvy Sliders Restaurant franchise. These factors include, but are not limited to: competition from other franchises; appreciation and acceptance of the products and services offered by your franchise in the community in which your franchise is located; your experience; the quality and effectiveness of your managerial skills; and your decisions with respect to location, additional advertising programs, personnel and cost controls; geographic and socioeconomic conditions in you locality; business cycles; and the performance of the local, national and world economy.

Written substantiation for the financial performance representation will be made available to the prospective franchisee on reasonable request.

Financial Information for Specific Operating Units

We may give a prospective franchisee who is seeking to buy a specific operating unit, whether owned by us, an affiliate or another franchisee, actual operating results of that unit.

We recommend that you make your own independent investigation to determine whether or not the franchise may be profitable to you. You should use the above information only as a reference in conducting your analysis and preparing your own projected income statements and cash flow statements. We suggest strongly that you consult your financial advisor or personal accountant concerning financial projections and federal, state and local income taxes and any other applicable taxes that you may incur in operating a franchised Restaurant.

Other than the preceding financial performance representation, we do not make any representations about a franchisee's future financial performance or past financial performance of company-owned or franchised outlets. We also do not authorize our employees or representatives to make any such representations either orally or in writing. If you are purchasing an existing outlet, however, we may provide you with the actual records of that outlet. If you receive any other financial performance information or projections or your future income, you should report it to the franchisor's management by contacting Happy Asker at 30955 Northwestern Highway, Suite 300, Farmington Hills, Michigan 48334 or (248) 538-0000, the Federal Trade Commission, and the appropriate state regulatory agencies.

ITEM 20-- OUTLETS AND FRANCHISEE INFORMATION

Table No. 1

Systemwide Outlet Summary For Years 2021 to 2023

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised	2021	1	10	+9
	2022	10	21	+11
	2023	21	29	+8
Affiliate -Owned	2021	0	0	0
	2022	0	0	0
	2023	0	0	0
Total Outlets	2021	1	10	+9
	2022	10	21	+11
	2023	21	29	+8

Table No. 2

**Transfers of Outlets From Franchisees to New Owners (Other than the Franchisor)
For Years 2021 to 2023**

State	Year	Number of Transfers
Michigan	2021	1
	2022	1
	2023	4
Ohio	2021	0
	2022	0
	2023	0
Totals	2021	1
	2022	1
	2023	4

Table No. 3

Status of Franchised Outlets For Years 2021 to 2023

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Re-acquired by Franchisor	Ceased Operations-Other Reasons	Outlets at End of Year
Florida	2021	0	0	0	0	0	0	0
	2022	0	0	0	0	0	0	0
	2023	0	1	0	0	0	0	1
Michigan	2021	1	9	0	0	0	0	10
	2022	10	10	0	0	0	0	20
	2023	20	7	0	0	0	2	25
Ohio	2021	0	0	0	0	0	0	0
	2022	0	1	0	0	0	0	1
	2023	1	0	0	0	0	0	1
Texas	2021	0	0	0	0	0	0	0
	2022	0	0	0	0	0	0	0
	2023	0	2	0	0	0	0	2
Totals	2021	1	9	0	0	0	0	10
	2022	10	11	0	0	0	0	21
	2023	21	10	0	0	0	2	29

Table No. 4
Status of Affiliate -Owned Outlets For Years 2021 to 2023

State	Year	Outlets at Start of Year	Outlets Opened	Outlets Reacquired from Franchisee	Outlets Closed	Outlets Sold to Franchisee	Outlets at End of the Year
None	2021	0	0	0	0	0	0
	2022	0	0	0	0	0	0
	2023	0	0	0	0	0	0
Totals	2021	0	0	0	0	0	0
	2022	0	0	0	0	0	0
	2023	0	0	0	0	0	0

Table No. 5
Projected Openings as of December 31, 2023

State	Franchise Agreements Signed But Outlet Not Yet Opened	Projected New Franchised Outlet in the Next Fiscal Year	Projected New Affiliate-Owned Outlet in the Next Fiscal Year
Florida	2	2	0
Indiana	1	1	0
Louisiana	0	4	0
Michigan	5	5	0
Mississippi	0	2	0
Ohio	1	2	0
Tennessee	0	1	0
Texas	2	2	0
Totals	11	19	0

The information in the tables is as of December 31st of each year.

We and our affiliates do not own or operate any company-owned Restaurants.

The names, addresses and telephone numbers of all current Restaurants (including Franchised Outlets and Affiliate-Owned Outlets), are listed on Exhibit I. A list of the name, city and state and current business telephone number, or if unknown, the last home telephone number of every franchisee who has had a franchise terminated, cancelled, not renewed or otherwise voluntarily or involuntarily ceased to do business under a Franchise Agreement during the calendar year 2023 or who has not communicated with us within ten weeks of our application date (or the date of this Franchise Disclosure Document, if this Franchise Disclosure Document is not for use in a state requiring registration of franchises) is attached as Exhibit J. If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

During the last three fiscal years we have not signed confidentiality clauses with current or former franchisees. In some instances, current and former franchisees may sign provisions restricting their ability to speak openly about their experience with us. 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 Savvy Sliders franchise system that have been created, sponsored or endorsed by us or that have asked to be included in our Franchise Disclosure Document.

ITEM 21--FINANCIAL STATEMENTS

Our financial statements listed below are attached as Exhibit K.

- Audited Balance Sheets as of December 31, 2023 and December 31, 2022 and the related audited Statements of Income and Member's Equity (Deficit) and Cash Flows for the 12-month periods ending December 31, 2023 and December 31, 2022.
- Audited Balance Sheets as of December 31, 2022 and December 31, 2021 and the related audited Statements of Income and Member's Equity (Deficit) and Cash Flows for the 12-month periods ending December 31, 2022 and December 31, 2021.

ITEM 22--CONTRACTS

The following contracts are attached to this Franchise Disclosure Document:

- Franchise Agreement – Exhibit B
 - Specifics – Appendix A to Franchise Agreement
 - Obligations and Representations of Individuals Involved in the Franchise Business – Appendix B to Franchise Agreement
 - Acknowledgments by Franchisee – Appendix C to Franchise Agreement
 - Personal Guaranty – Appendix D to Franchise Agreement
 - Assignment of Telephone and Fax Numbers and Electronic Identifiers and Power of Attorney – Appendix E to Franchise Agreement
 - Franchisee Pledge – Appendix F to Franchise Agreement
 - Electronic Fund Transfer Authorization – Appendix G to Franchise Agreement
 - Confidentiality and Nondisclosure Agreement and Covenant Not to Compete – Appendix H to Franchise Agreement
- Addendum to Franchise Agreement—Renewal – Exhibit C
- Assignment and Assumption of Franchise Agreement—Transfer – Exhibit D-1
- Addendum to Franchise Agreement—Transfer – Exhibit D-2
- Franchise Termination and Release Agreement—Transfer – Exhibit D-3
- Addendum to Franchise Agreement for Co-Branded Restaurant – Exhibit E
- Lease Addendum – Exhibit F

- Confidentiality and Non Competition Agreement (management employee) and Confidentiality Agreement (rank and file employee) – Exhibit H
- State Specific Addenda – Exhibit L

ITEM 23--RECEIPTS

Two copies of a Receipt that acknowledges your receipt of this Franchise Disclosure Document, including all Exhibits, are attached as Exhibit M. You must date and sign one copy of the Receipt and deliver it to us.

EXHIBIT A

STATE ADMINISTRATORS AND AGENTS FOR SERVICE OF PROCESS

Our Agent for Service of Process in the State of Michigan is Paul Miller, 2745 Pontiac Lake Rd., Waterford, Michigan 48328. We may register this disclosure document as a franchise in some or all of the following states, in accordance with applicable state law. If and when we pursue franchise registration (or otherwise comply with the franchise laws) in these states, we will designate the following state offices or officials as our agents for service of process in those states.

List of State Administrators	Agents for Service of Process
California	
Department of Financial Protection and Innovation 2101 Arena Blvd. Sacramento, California 95834 (866) 275-2677	Department of Financial Protection and Innovation State of California 2101 Arena Blvd. Sacramento, California 95834
Illinois	
Illinois Attorney General's Office Franchise Bureau 500 South Second Street Springfield, Illinois 62706 (217) 782-4465	Illinois Attorney General State of Illinois 500 South Second Street Springfield, Illinois 62706
Indiana	
Indiana Secretary of State Securities Division, Room E 111 302 West Washington Street Indianapolis, Indiana 46204 (317) 232-6681	Indiana Secretary of State 201 State House 200 West Washington Street Indianapolis, Indiana 46204
Maryland	
Office of Attorney General Securities Division 200 St. Paul Place Baltimore, Maryland 21202 (410) 576-7786	Maryland Securities Commissioner 200 St. Paul Place, 20th Floor Baltimore, Maryland 21202-2020
Michigan	
State of Michigan Department of Attorney General Consumer Protection Division G. Mennen Williams Building 525 W. Ottawa Street Lansing, Michigan 48909 (517) 335-7567	Michigan Department of Commerce Corporations and Securities Bureau 6546 Mercantile Way P.O. Box 30222 Lansing, Michigan 48910
Minnesota	
Commissioner Minnesota Department of Commerce 85 7th Place East, Suite 280 St. Paul, Minnesota 55101-2198 (651) 296-4026	Minnesota Commissioner of Commerce 85 7 th Place East, Suite 500 St. Paul, Minnesota 55101-2138

List of State Administrators	Agents for Service of Process
New York	
New York State Department of Law Bureau of Investor Protection and Securities 120 Broadway, 23rd Floor New York, New York 10271 (212) 416-8211	Secretary of State, New York One Commerce Plaza 99 Washington Avenue Albany, New York 12231
North Dakota	
ND Securities Department 600 East Boulevard, Fifth Floor Bismarck, North Dakota 58505 (701) 328-2910	ND Securities Department 600 East Boulevard, Fifth Floor Bismarck, North Dakota 58505 (701) 328-2910
Rhode Island	
State of Rhode Island and Providence Plantations Department of Business Regulation Securities Division 1511 Pontiac Avenue John O. Pastore Complex Bldg 69-1 Cranston, Rhode Island 02920 (401) 462-9527	Director of Rhode Island Department of Business Regulation 1511 Pontiac Avenue John O. Pastore Complex, Bldg 69-1 Cranston, Rhode Island 02920
South Dakota	
Department of Labor and Regulation Division of Securities 445 E. Capitol Ave. Pierre, South Dakota 57501-3185 (605) 773-4823	Department of Labor and Regulation Division of Securities 445 E. Capitol Avenue Pierre, South Dakota 57501-3185
Virginia	
State Corporation Commission Division of Securities and Retail Franchising 1300 E. Main Street, Ninth Floor Tyler Building, 9 th Floor Richmond, Virginia 23219 (804) 371-9051	Clerk of the State Corporation Commission 1300 East Main Street Tyler Building, 9 th Floor Richmond, Virginia 23219
Washington	
Department of Financial Institutions General Administration Building Securities Division 150 Israel Road SW Tumwater, WA 98501 (360) 902-8760	Franchise Registration Department of Financial Institutions Division of Securities 201 W. Washington Ave., Ste. 300 Madison, Wisconsin 53703 (608) 267-9140
Wisconsin	
Franchise Registration Department of Financial Institutions Division of Securities 201 W. Washington Ave., Ste. 300 Madison, Wisconsin 53703 (608) 267-9140	Franchise Registration Department of Financial Institutions Division of Securities 201 W. Washington Ave., Ste. 300 Madison, Wisconsin 53703

EXHIBIT B
FRANCHISE AGREEMENT

FRANCHISE AGREEMENT

BETWEEN

**SAVVY SLIDERS FRANCHISE LLC
("Franchisor")**

AND

("Franchisee")

EFFECTIVE DATE: _____, 20__

LOCATION: _____

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SAVVY SLIDERS FRANCHISE LLC

FRANCHISE AGREEMENT

THIS AGREEMENT is made this _____ day of _____, 20____, between SAVVY SLIDERS FRANCHISE LLC, a Michigan limited liability company ("Franchisor") and _____ ("Franchisee").

ARTICLE 1 - INTRODUCTION

1.1 Franchise Systems.

Franchisor, as the result of the expenditure of time, skill, effort and money, has developed multiple restaurant concepts that offer to the public all or some of the following products—sliders, wings, fries, beverages, and other food products—for carry-out, dine-in, catering or delivery. Each restaurant concept includes technical information and expertise relating to the preparation and production of food products; the use of special spices and sauces, all of which constitute trade secrets and are identified by the public with Savvy Sliders products; special recipes and menu items; prescribed exterior and interior design, decor, fixtures, and furnishings; standards and specifications for products and supplies; service standards; uniform standards, specifications, and procedures for operations; training and assistance; and advertising and promotional programs (collectively “Systems”); all of which may be changed, improved, and further developed by Franchisor from time to time. Each restaurant concept utilizes Franchisor’s Systems for that concept, portions of which may be the same or similar to Systems provided by Franchisor for other restaurant concepts, and portions of which may only be authorized by Franchisor for use by a specific restaurant concept. The Systems authorized by Franchisor from time to time for use by the specific restaurant concept to be licensed to Franchisee pursuant to this Agreement are referred to as the “Franchise Systems.”

1.2 Franchise Marks.

Franchisor identifies its restaurant concepts by means of certain trademarks, service marks, trade names, logos and other marks (“Marks”); all of which may be changed by Franchisor from time to time. Each restaurant concept may use certain Marks which are only authorized for use with that concept as well as share other Marks with other restaurant concepts. The Marks authorized by Franchisor from time to time for use by the specific restaurant concept to be licensed to Franchisee pursuant to this Agreement are referred to as the "Franchise Marks."

1.3 Franchise Business.

Franchisor currently licenses two restaurant concepts. Franchisor’s primary concept is the standard Savvy Sliders Restaurant that sells sliders, wings, fries, beverages, and other food products for carry-out, dine-in, catering or delivery (the “Standard Restaurant”). Some Standard Restaurants may also sell alcoholic beverages if Franchisor authorizes those sales and the franchisee is able to obtain the necessary governmental approvals and licenses. The other concept is the Savvy Sliders Express that sells a more limited menu of Franchisor’s products for carry-out, grab-and-go, dine-in, catering or delivery and is usually located in or operated as a kiosk in another business or facility, such as a hospital or other medical facility, college campus, or similar location

(the "Savvy Sliders Express"). A Standard Restaurant or Savvy Sliders Express business operated under the Franchise Systems and the Franchise Marks, whether operated by Franchisor, an affiliate of Franchisor or a person authorized by Franchisor, will be referred to in this Agreement as a "Restaurant." The Restaurant that Franchisee is licensed to operate under this Agreement will be referred to in this Agreement as the "Franchise Business." The specific restaurant concept that Franchisee is licensed to operate under this Agreement is noted in Item 1 of Appendix A to this Agreement. In some cases, Franchisor may authorize a Restaurant to operate on a co-brand basis with another restaurant business. If we authorize the Franchise Business to be operated on a co-brand basis, Franchisee will also sign a separate Addendum to Franchise Agreement for Co-Branded Restaurant.

1.4 Franchisee's Desire to Obtain a Franchise.

Franchisee recognizes the advantages of operating under the Franchise Systems and Franchise Marks and desires to obtain the right to operate a Restaurant by entering into this Agreement with Franchisor.

ARTICLE 2 - GRANT OF FRANCHISE

2.1 Grant of Franchise.

Franchisor grants to Franchisee the nonexclusive right to use the Franchise Marks and the Franchise Systems in connection with the operation of a single Restaurant in accordance with this Agreement and Franchisor's Operations Manual (as defined in Section 8.2). The Franchise Business must be operated at the location designated in accordance with Section 7.1 of this Agreement (the designated location is referred to as the "Franchise Location").

2.2 Limitations.

Franchisee acknowledges and agrees that the rights granted in this Agreement relate only to the sale of products over-the-counter at the Franchise Location and for delivery subject to our specifications, and that no exclusive area or other territorial rights are granted to Franchisee, except as specifically provided in Section 2.3 below. Franchisee will have the right to deliver immediately consumable products to individual and catering customers within a driving time or distance or an area specified from time to time by Franchisor and in accordance with the Franchisor's specifications and policies for delivery, but any other delivery of products is prohibited without the prior written consent of Franchisor. Franchisee acknowledges that the delivery area specified for Franchisee may not include all of Franchisee's Protected Area (defined in Section 2.3). Franchisee will also have no right to solicit or conduct business through the use of toll free telephone numbers, catalogs, direct mail, internet or other advertising or solicitation methods not involving only sales over-the-counter at the Franchise Location or delivery in accordance with Franchisor's specifications and policies for delivery and in the area specified by Franchisor except with prior written approval from Franchisor.

2.3 Protected Area; Limited Exclusivity; Exceptions.

Except as otherwise provided in this Agreement, as long as this Agreement is in effect and Franchisee is not in any type of breach or default of this Agreement, Franchisor will not open or authorize any other person to open a restaurant location operated under the Savvy Sliders

name in the area that is within a one-mile driving distance from the Franchise Location (the “Protected Area”). If the Franchise Location is in a densely populated area, the Protected Area may be an area that is less than a one-mile driving distance and that area will be agreed to in writing by Franchisor and Franchisee and will be described in Item 3 of Appendix A. The driving distance from the Franchise Location will be conclusively determined by Franchisor using driving distance as represented by Yahoo! Maps (or a comparable source designated by Franchisor) when requesting driving directions from the Franchise Location to the potential location. Franchisee’s limited rights relate to location only and do not grant Franchisee any exclusivity of marketing or customers. Subject to any specifications and policies for delivery and the limitations on delivery areas specified by Franchisor, all Restaurants may sell and deliver their products and services to any customer, even if the customer is within the Protected Area.

Notwithstanding Franchisee’s rights in the Protected Area under this Section: (a) Franchisor and its affiliates may operate or authorize other persons to operate businesses under the Franchise Marks and Franchise Systems and/or to offer and sell products and services offered at Savvy Sliders Restaurants at the following types of locations in the Protected Area: corporate cafeterias; institutional accounts (including grocery stores and warehouse clubs); offsite events (e.g. art fairs, fundraisers, etc.); stadiums; and locations with relatively fixed populations (e.g. airports, military bases, college campuses, hospitals and other medical facilities, indoor regional malls, large office buildings; similar locations; and mobile locations, such as food trucks; and (b) Franchisor’s affiliate, Happy’s Pizza Franchise, LLC, may operate or authorize its franchisees to operate a Happy’s Pizza restaurant that is co-branded with Savvy Sliders (a “Co-Branded Restaurant”) in the Protected Area. A Co-Branded Restaurant will have a menu that includes Savvy Sliders products as well as Happy’s Pizza products and will include signage using the Savvy Sliders name and the Happy’s Pizza name.

2.4 Reservation of Rights.

All rights not expressly granted in this Agreement to Franchisee relating to the Franchise Marks and Franchise Systems are reserved to Franchisor, including but not limited to the right to: (a) operate and authorize others to operate Restaurants at any location outside the Protected Area; (b) operate and authorize others to operate businesses that are the same or similar to a Restaurant under names or trademarks other than the Savvy Sliders name at any location inside or outside the Protected Area; (c) operate and authorize others to operate businesses that are different from the business of a Restaurant under the Franchise Marks or any other names or trademarks at any location inside or outside the Protected Area; (d) the right to use or authorize others to use the Franchise Marks and/or Franchise Systems, or any other trademarks or systems, in connection with the manufacture and sale of products at wholesale or retail, through the use of toll free telephone numbers, catalogs, direct mail, over the Internet or through any other distribution channels; (e) acquire the assets or ownership interests of one or more businesses providing products and services similar to those provided at a Restaurant, and franchising, licensing or creating similar arrangements with respect to those businesses once acquired, wherever those businesses (or the franchisees or licensees of those businesses) are located or operating (including in the Protected Area); and (f) be acquired (whether through acquisition of assets, ownership interests or otherwise, regardless of the form of transaction), by a business providing products and services similar to those provided by Restaurants, or by another business, even if the business operates, franchises and/or licenses competitive businesses in the Protected Area.

ARTICLE 3 - TERM AND OPTION

3.1 Term.

This Agreement will begin on the date of this Agreement and continue until the date that is five years from the date of opening of the Franchise Business unless sooner terminated as provided in this Agreement.

3.2 Option of Franchisee.

Franchisee will have the option to remain a Franchisee for two additional periods of five years each if, at the beginning of each option period, all of the following conditions are fulfilled:

(a) Franchisee is not in default of this Agreement or any other agreement between the parties and no affiliate of Franchisee is in default under any agreement between the affiliate and Franchisor.

(b) Franchisee, during the past twelve months, has not received from Franchisor two or more notices of default of the terms of this Agreement or any specification, standard or operating procedure of Franchisor (whether or not such notices related to the same or different violations and whether or not those violations have been remedied by Franchisee).

(c) Franchisee provides written notice of its intent to continue as a franchisee not more than six (6) months and not less than three (3) months before the beginning of the option period. Time is of the essence for this notice requirement.

(d) Franchisee has been able to maintain possession of the Franchise Location or Franchisee has been able to secure and develop, in compliance with the then applicable standards of Franchisor used in the granting of a franchise, suitable alternative premises for a Restaurant. Any alternative premises must be acceptable to and approved in advance by Franchisor.

(e) Franchisee agrees to refurbish the Franchise Location in the manner specified by Franchisor consistent with the then applicable standards of Franchisor for Restaurants. Franchisee acknowledges that the Franchisor may not uniformly impose refurbishing obligations on renewal of its franchises based on numerous factors and that Franchisee may be required to take steps to refurbish the Franchise Location that have not been required of other franchisees.

(f) Franchisee, throughout the term of this Agreement, has satisfied all material reporting requirements and all monetary obligations to Franchisor and any affiliates of Franchisor, suppliers and creditors (excepting reasonable disputes that Franchisee is attempting in good faith to resolve) within the amount of time specified for satisfaction or cure of default with respect to such obligation.

(g) Franchisee has satisfied any additional training requirements for new or existing Franchisees.

(h) Franchisee has signed a general release, in a form specified by Franchisor, of any and all claims against Franchisor, its subsidiaries and affiliates, and their respective officers, directors, agents, members and employees.

(i) Franchisee must, at Franchisor's option, have signed and delivered to Franchisor, within thirty (30) days of receipt from Franchisor: (1) Franchisor's standard franchise agreement in use by Franchisor at the time of Franchisee's notice to Franchisor together with such other documents as are then customarily used by Franchisor to grant new franchises, all of which will replace this Agreement (the new standard franchise agreement signed by Franchisee may have substantial differences from this Agreement, including, without limitation, different or increased fees); or (2) an agreement to extend this Agreement for the five-year period on terms and conditions acceptable to Franchisor.

(j) Franchisee must pay a renewal fee to exercise its option. The renewal fee will be equal to twenty-five percent (25%) of the initial franchise fee being charged by Franchisor at the time of renewal. This fee must be paid at the time the new standard franchise agreement is delivered to Franchisor.

(k) Franchisor approved the renewal. Franchisor will not withhold approval of renewal without good cause.

If Franchisor approves renewal of the franchise, the failure or refusal by Franchisee to sign the franchise agreement and other documents and pay the renewal fee at least thirty (30) days before the end of the then-expiring term will be deemed an election by Franchisee not to renew the franchise. If Franchisee does not elect to renew its franchise relationship, does not qualify for renewal, or does not comply with the requirements for renewal specified above, the franchise relationship between Franchisor and Franchisee will automatically terminate on completion of the term set forth in this Agreement.

ARTICLE 4 - FEES, REPORTS, ACCESS AND AUDIT

4.1 Initial Franchise Fee.

Franchisee must pay an initial franchise fee at the time of signing of this Agreement in the amount of Thirty-Five Thousand Dollars (\$35,000). The initial franchise fee is payable in full at the time of signing of this Agreement. The initial franchise fee is considered earned at the time of signing of this Agreement and is not refundable.

4.2 Royalty Fee; Gross Revenue.

Franchisee must pay Franchisor a royalty fee as follows: (a) if the Franchise Location is located in the State of Michigan, the royalty fee will be an amount equal to five percent (5%) of Franchisee's Gross Revenues; and (b) if the Franchise Location is located outside the State of Michigan, the royalty fee will be an amount equal to six percent (6%) of Franchisee's Gross Revenues. Franchisee must report Gross Revenues and pay royalty weekly, in the manner specified in Section 4.10, by Wednesday of each week based on Gross Revenues for the

preceding calendar week. Franchisee agrees that royalty payments must be paid daily or monthly, instead of weekly, if specified by Franchisor. Royalty fees are not refundable.

For purposes of this Agreement, "Gross Revenues" means the entire amount of all of Franchisee's revenues from the ownership or operation of the Franchise Business or any business at or about the Franchise Location including sales at or from the Franchise Location and outside sales and sales at events outside the Franchise Location as well as the proceeds of any business interruption insurance, whether the revenues are evidenced by cash, credit, checks, gift certificates, coupons and premiums (unless exempted by Franchisor), services, property or other means of exchange, excepting only the amount of any sales taxes that are collected and paid to the taxing authority. Cash refunded and credit given to customers and receivables uncollectible from customers will be deducted in computing Gross Revenues if the cash, credit or receivables represent amounts previously included in Gross Revenues where royalty fees were paid. Gross Revenues are deemed received by the Franchisee at the time the goods, products, merchandise, or services from which they derive are delivered or rendered or at the time the relevant sale takes place, whichever occurs first. Gross Revenues consisting of property or services (for example, "bartering" or "trade outs") are valued at the prices applicable to the products or services exchanged for the Gross Revenues at the time the Gross Revenues are received.

4.3 Advertising Fees; Reimbursement for Advertising Expenses.

Franchisee must pay a weekly advertising fee to Franchisor or an advertising company designated or approved by Franchisor, which may be an affiliate of Franchisor. The amount of the weekly advertising fee will be specified by Franchisor, but will not exceed One Thousand Five Hundred Dollars (\$1,500) per week without Franchisee's consent. The One Thousand Five Hundred Dollar (\$1,500) limit will not apply to charges for printed materials, such as menus. Franchisor will use these advertising fees to conduct and administer the advertising programs and for other purposes as described in Section 9.2. Franchisor may also use Franchisee's advertising fees to conduct joint advertising with other franchisees. Franchisee acknowledges that the advertising fees specified by Franchisor may vary by market.

Franchisor may implement additional advertising programs not covered by the weekly advertising fee. Franchisee may, at its option, participate in those advertising programs. If Franchisee chooses to participate in those programs, Franchisee will participate in the group pricing negotiated by Franchisor and Franchisee must pay its share of the cost of those programs to Franchisor at the times and in the manner specified by Franchisor.

Franchisee acknowledges and agrees that Franchisor or its designated affiliate may cover its expenses incurred and may earn income in connection with the administration of advertising fees and the conduct of advertising. Franchisee acknowledges that Franchisor may implement advertising programs for some but not all markets and that the fees for advertising may be different in different markets.

4.4 Additional Advertising Program Contributions.

In addition to the advertising fees described in Section 4.3, Franchisor may, after thirty (30) days' notice to Franchisee, require Franchisee to make periodic contributions to the Franchisor's

advertising programs in an amount not to exceed two percent (2%) of Franchisee's Gross Revenues. If required, these contributions must be paid at the same time and in the same manner as royalty fees unless otherwise specified by Franchisor. If additional advertising program contributions are required, Franchisor will use the additional advertising program contributions for the purposes described in Section 9.2. Franchisee acknowledges that: (a) Franchisor may implement additional advertising program contributions for some but not all markets; (b) the amount of additional advertising program contributions required may vary by market; (c) Franchisor is not under any obligation to implement additional advertising program contributions or to implement additional advertising programs within any specific or definite time frame or to continue additional advertising program contributions if they are implemented.

See Article 9 for other obligations of Franchisee relating to advertising, including amounts required to be spent on grand opening advertising.

4.5 Training Fees and Expenses.

Training fees are not charged by Franchisor for the initial training program (see Section 10.1). Training fees may be charged by Franchisor for additional people attending the initial training program or additional training requested by Franchisee or required by Franchisor. Also, Franchisor may charge for its expenses incurred with providing additional training, including reimbursement for the costs of materials, travel (if any), and a reasonable charge to cover Franchisor's personnel costs. In addition, Franchisee will be responsible for paying its and its employees' wages or salaries, expenses for travel, food and lodging incurred during the initial training program and any additional training programs.

4.6 Renewal Fee.

Franchisee must pay a renewal fee if Franchisee elects to renew its franchise at the end of the initial term of the franchise. The renewal fee is twenty-five percent (25%) of the initial franchisee fee being charged by Franchisor to new franchisees at the time of the renewal.

4.7 Transfer Fee.

A transfer fee is payable on a Transfer as defined in Section 13.1, which includes, but is not limited to, transfers of the Franchise Business, any rights under this Agreement and any new or existing ownership interests in Franchisee. The transfer fee is fifty percent (50%) of the initial franchise fee being charged by Franchisor to new franchisees at the time of the transfer.

4.8 Technology Fees.

Franchisee must pay Franchisor technology fees in an amount specified by Franchisor, which may be revised from time to time (currently \$300 to \$600 per month). Franchisee must pay the technology fees in advance in the manner specified in Section 4.10 by the 1st day of each month (or at such other times as Franchisor may specify). Franchisor may use the technology fees for expenses relating to the development, support, and maintenance of the Franchise Technology (defined in Section 8.18) and other expenses relating to technology used in the Franchise Systems. The technology fees are not refundable. Although Franchisee must pay the technology fees to Franchisor, Franchisee will still be responsible for any license fees and the expense of maintenance, support, and updates, including service contracts, relating to the

Computer Systems (defined in Section 4.13) and other Franchise Technology used in the Franchise Business. In addition to the technology fees, Franchisor may collect from Franchisee and pay to third parties initial set-up and ongoing licensing fees for any Franchise Technology provided by third parties. Franchisor may also charge Franchisee a fee to manage any Franchise Technology provided by third parties, which may be in addition to the technology fees. These fees must be paid in the manner specified in Section 4.10 at the times specified by Franchisor.

4.9 Late Charges, NSF Fees, and Interest.

The charges, fees and interest described in this Section must be paid by Franchisee in connection with any payments due to Franchisor under this Agreement or under any other agreement or arrangement between Franchisee and Franchisor. Franchisee must pay to Franchisor, on demand, a late charge of One Hundred Dollars (\$100) for the first payment not made to Franchisor within five days of the due date of the payment and Two Hundred Fifty Dollars (\$250) for each subsequent payment not made to Franchisor within five days of the due date of the payment. In addition, Franchisee must pay on demand a fee equal to any charges Franchisor may incur as a result of checks or debits returned to Franchisor for non-sufficient funds or other similar reasons, but not less than Forty Dollar (\$40) for each item returned. Also, Franchisee must pay to Franchisor, on demand, interest on all overdue payments from the date the payment was due until paid equal to the lesser of (i) One and One Half Percent (1.5%) per month or (ii) the maximum rate of interest permitted by law. The assessment of late charges and interest will not be the sole remedies of Franchisor in such circumstances.

4.10 Manner and Timing of Payment.

Franchisee's payments to Franchisor for royalty, advertising fees and expenses, additional advertising program contributions, training, renewal and transfer fees, litigation expenses, late charges and interest, reimbursement for excess bank fees as described below in this Section, amounts owed for products or services provided by Franchisor, amounts owed for indemnification obligations under Section 8.15, amounts owed for maintenance expenses incurred by Franchisor under Section 8.8, amounts owed under Section 13.4, amounts owed for liquidated damage amounts referenced in Section 14.8, and all other amounts owed by Franchisee to Franchisor must be made by electronic or similar funds transfer in the appropriate amounts from Franchisee's bank account to Franchisor's accounts, and at such places or in such manner as Franchisor may specify from time to time. Payments must be made at the times specified in this Agreement or as otherwise specified by Franchisor. Franchisee acknowledges that Franchisor may specify payment by electronic fund transfers initiated by Franchisor. Franchisee must sign and deliver to its bank and to Franchisor those documents necessary to authorize and effectuate such transfers as specified by Franchisor. Franchisee agrees that it will not terminate such authorization as long as this Agreement is in effect. Franchisee agrees that it will not close its bank account without prior written notice to Franchisor and the establishment of a substitute bank account for the transfers. Franchisee also agrees that all required payments to Franchisor must be made daily or monthly, instead of weekly or as otherwise provided in this Agreement, if specified by Franchisor.

If the bank fees Franchisor incurs for electronically debiting amounts from Franchisee's accounts are in excess of the bank fees that Franchisor would incur if Franchisee's accounts were

maintained at the same bank as Franchisor, Franchisee must reimburse Franchisor for the amount of those excess fees. The reimbursement for excess fees will be payable on demand.

4.11 No Setoff; Application of Payments.

Franchisee's obligations for the full and timely payment of the fees described in this Agreement and all other amounts owed to Franchisor are absolute and unconditional. Franchisee must not delay or withhold the payment of all or part of those amounts based on the alleged nonperformance by Franchisor or for any other reason or put the fees or other amounts in escrow or setoff against any claims Franchisee may allege against Franchisor. Franchisor may apply any payments received first to any accrued late charges or interest and then to any delinquent fees or other amounts outstanding before crediting the payment in the manner specified by Franchisee or to the current amount due.

4.12 Reports and Financial Statements.

Franchisee must use the standard reporting system and forms specified by Franchisor. Franchisee must submit to Franchisor a complete statement of Gross Revenues and other information specified by Franchisor for the reporting periods and on the forms specified by Franchisor. On Franchisor's request, Franchisee must provide Franchisor with copies of all sales or similar tax returns, annual income tax returns, monthly profit and loss statements, monthly balance sheets, monthly inventory statements and annual financial statements. Copies of monthly statements or reports must be provided within fifteen (15) days of the end of each month and copies of annual statements or reports must be provided within sixty (60) days of the end of Franchisee's fiscal year. Franchisor may specify other requirements relating to reporting in the Operations Manual. Franchisee's failure to timely provide required reports or financial statements may result in liquidated damages charges as authorized in Section 14.8.

Franchisee acknowledges and agrees that Franchisor may receive information directly from suppliers and authorizes Franchisee's suppliers to provide such information directly to Franchisor. Franchisee agrees to sign separate authorizations or additional documents requested by suppliers or deemed necessary by Franchisor to obtain information directly from suppliers.

The financial records of Franchisee may be disclosed by Franchisor in future Franchise Disclosure Documents and reporting analyses presented to third parties and to Franchisor's actual and potential lenders. Also, Franchisor may share information in these reports and financial statements with other franchisees in the ordinary course of Franchisor's business as a tool to improve the franchise system's volume of business.

4.13 Point of Sale and other Computer Equipment and Software; Access to and Use of Information.

Franchisee must purchase or lease the point of sale, customer management, and/or other computer systems (including computer hardware and software) ("Computer Systems") Franchisor specifies for the Franchise Business and use the specified Computer Systems in the Franchise Business in the manner specified by Franchisor. Also, Franchisee must pay all required support, maintenance, update and upgrade costs to maintain the specified Computer Systems in the manner specified by Franchisor. Franchisor may develop, acquire, update or endorse Computer Systems

and specifications for certain components of the Computer Systems in the future and may modify such specifications and the components of the Computer Systems in the future. As part of the Computer Systems, Franchisor may require Franchisee to obtain and use specified computer hardware and/or software including, without limitation, a license to use proprietary software developed by Franchisor or others and/or service agreements. Modification of the specifications for the components of the Computer Systems may require Franchisee to incur costs to purchase, lease and/or license new or modified computer hardware and/or software and to obtain service and support for the Computer Systems during the term of this Agreement. Within ninety (90) days after Franchisee receives notice from Franchisor, Franchisee agrees to obtain and have operational the components of the Computer Systems that Franchisor specifies.

Franchisor will have the right to independently access the sales information and other data produced by and stored on the Computer Systems specified by Franchisor and there are no contractual limitations on Franchisor's right to access and use that information and data. Franchisee must provide Franchisor access to the information on the Computer Systems in the manner specified by Franchisor and must supply Franchisor with any and all security codes necessary to obtain that access. Franchisor may retrieve, analyze, download and use the software and all data on Franchisee's Computer Systems at any reasonable times as long as such access does not unreasonably interfere with the operation of the Franchise Business. Franchisee must maintain high-speed Internet access at all times in the manner specified by Franchisor for communication with Franchisor and to allow Franchisor to access information from Franchisee's Computer Systems. Franchisor's rights to use the Computer Systems data includes the right to sell and/or deliver the data to any third party Franchisor deems appropriate in its sole discretion.

4.14 Records.

Franchisee must keep complete and correct books of account, business records, and records of Gross Revenues, in accordance with the procedures specified by Franchisor and in accordance with generally accepted accounting principles. Franchisee must keep all of its business records for the greater of: (a) seven (7) years; or (b) the time period specified by any applicable federal, state or local law or regulation.

4.15 Inspection by Franchisor; Shopping Service.

To determine whether Franchisee is complying with this Agreement, and/or to determine whether Franchisee is complying with all applicable specifications and quality standards in connection with Franchisee's use of the Franchise Marks and Franchise Systems, Franchisor or its designated agents have the right, at any reasonable time and without prior notice, to: (a) inspect the Franchise Business; (b) confer with Franchisee and its management employees; and (c) inspect equipment, signage, fixtures, furniture and operating methods of Franchisee. Franchisor may require that Franchisee furnish its customers with an evaluation form specified by Franchisor pre-addressed to Franchisor. Also, Franchisor may require that Franchisee maintain a comment box at the Franchise Location, which may only be opened by Franchisor. Franchisee must fully cooperate with representatives of Franchisor making any inspection or observing the work of Franchisee or its employees or retrieving information from the comment box.

Franchisor reserves the right, from time to time, to itself or through a designee or through a third party shopping service to evaluate the operation and quality of the Franchise Business, including such things as meal quality, drink quality, liquor law compliance, inventory availability, customer service, cleanliness, merchandising, franchise compliance and proper use of computers and registers. Franchisor may use such service evaluations to inspect the Franchise Business at any time at the Franchisor's expense, without prior notification to Franchisee. Franchisor may make the results of any such service evaluation available to the Franchisee, in the Franchisor's sole discretion.

Franchisee understands that violations of this Agreement or Franchisor's specifications observed in any inspection or other evaluation may result in liquidated damages amounts being assessed against Franchisee under Section 14.8.

4.16 Access to Records and Audit by Franchisor.

Franchisor or its designated representatives have the right at all reasonable times to examine and copy the books, records, and tax returns of Franchisee. Franchisor will also have the right, on five days written notice, to have an independent audit made of the books of Franchisee. If an audit reveals that any payments to Franchisor have been understated in any report to Franchisor, Franchisee must immediately pay to Franchisor the amount understated on demand, in addition to any interest and late charges required under Section 4.9 of this Agreement from the date originally due to the date paid.

Any audit will be conducted at the expense of Franchisor. However, if an audit is made necessary by Franchisee's failure to furnish reports, financial statements, or tax returns, or discloses an understatement of three percent (3%) or more of the Gross Revenues of the Franchise Business in any report, then Franchisor has the right to charge Franchisee for the costs of the audit, including, without limitation, any travel expenses, meals, lodging and compensation of Franchisor's employees or agents and reasonable accounting and attorney's fees.

Franchisee acknowledges that nothing contained in this Section constitutes Franchisor's agreement to accept any payments after they are due or a commitment by Franchisor to extend credit to or otherwise finance Franchisee's operation of the Franchise Business. The payment of Franchisor's expenses and/or the assessment of late charges or interest are not the sole remedies of Franchisor in those circumstances and this Agreement may be subject to termination under Article 14.

4.17 Security Interest.

Franchisee grants to Franchisor a continuing security interest in all the assets of Franchisee and the Franchise Business, including: all personal and fixture property of every kind and nature including without limitation all goods (including inventory, equipment and any accessions thereto), instruments (including promissory notes), documents, accounts (including health-care-insurance receivables), chattel paper (whether tangible or electronic), deposit accounts, letter-of-credit rights (whether or not the letter of credit is evidenced by a writing), commercial tort claims, securities and all other investment property, supporting obligations, any other contract rights or rights to payment of money, insurance claims and proceeds, tort claims, and all general intangibles (including all

payment intangibles) now or hereafter owned by Franchisee, and all proceeds and products arising from the sale, exchange or other disposition of any or all of the aforesaid types of properties, whether cash or non-cash in nature (all such property referred to as the "Collateral").

This security interest is granted to secure payment of all indebtedness of Franchisee and any affiliate of Franchisee owed to Franchisor or any affiliate of Franchisor, whether now existing or arising in the future, absolute or contingent, due or to become due, including, but not limited to all costs and expenses incurred in the collection of any of Franchisee's indebtedness to Franchisor ("Indebtedness"). Franchisor will agree to subordinate this security interest to any purchase money security interest Franchisee grants to a lender in connection with the initial purchase of equipment for Franchisee's Restaurant. Franchisor will sign a subordination agreement to evidence this subordination; provided that the form and substance of the subordination agreement must be satisfactory to Franchisor in its sole discretion.

Franchisee irrevocably authorizes Franchisor at any time and from time to time to file in any Uniform Commercial Code jurisdiction any initial financing statements and amendments thereto that (a) indicate the Collateral (i) as all assets of Franchisee or words of similar effect, regardless of whether any particular asset comprised in the Collateral falls within the scope of Article 9 of the Uniform Commercial Code of an applicable state or such jurisdiction, or (ii) as being of an equal or lesser scope or with greater detail, and (b) contain any other information required by part 5 of Article 9 of the Uniform Commercial Code of the applicable state for the sufficiency or filing office acceptance of any financing statement or amendment, including (i) whether Franchisee is an organization, the type of organization and any organization identification number issued to Franchisee, and (ii) in the case of a financing statement filed as a fixture filing or indicating Collateral as as-extracted collateral or timber to be cut, a sufficient description of real property to which the Collateral relates. Franchisee agrees to furnish any such information to Franchisor on request.

ARTICLE 5 - SERVICES PROVIDED TO FRANCHISEE

5.1 Site Selection and Lease Negotiation.

Franchisor may, in its discretion, assist Franchisee in selecting a suitable location for the Franchise Business. Franchisor also may, in its discretion, assist Franchisee in negotiating a lease for the Franchise Location. Franchisor may charge a reasonable fee for these services. Franchisee acknowledges and agrees that Franchisor or an affiliate of Franchisor may lease the Franchise Location to Franchisee and that, in that case, Franchisor may have a conflict of interest in connection with assisting Franchisee in the negotiation of a lease for the Franchise Location. Franchisee acknowledges this potential conflict and waives and holds harmless Franchisor from any such conflict. Franchisee also acknowledges that: (a) Franchisor will not provide legal services in connection with the lease for the Franchise Location; (b) Franchisor will not evaluate or be responsible for the commercial reasonableness or suitability of Franchisee's lease; (c) Franchisee has those responsibilities; and (d) Franchisor recommends that Franchisee engage independent counsel to assist Franchisee in the evaluation and negotiation of the Franchisee's lease.

5.2 Construction and Improvements.

Franchisor or its designated representative will specify the standard format for the construction or improvement of the Franchise Location. Franchisor may, in its discretion, assist Franchisee in the process of construction or improvement of the Franchise Location. Franchisor may charge a reasonable fee for these services.

5.3 Equipment, Fixtures, Signs and Suppliers.

Franchisor will specify and provide sources of supply for the equipment, fixtures, signs and inventory necessary for Franchisee to begin operation of the Franchise Business.

5.4 Operations Manual; Update Specifications.

Franchisor will loan to Franchisee one copy of its Operations Manual for use in the operation of the Franchise Business. Franchisor will provide updates to Franchisee of Franchisor's specifications for all aspects of the Franchise Business as they become available.

5.5 Training.

Franchisor will provide an initial program to train Franchisee in all aspects of operation of the Franchise Business.

5.6 Setup and Opening.

Franchisor will provide one (1) or more representatives for up to seven (7) days without charge to assist in the opening and initial operation of the Franchise Business. If Franchisee requests the assistance of Franchisor's representatives beyond the seven-day period, Franchisor may provide the representatives for an additional period of time, but Franchisee must pay a charge for these additional services in an amount determined by Franchisor.

5.7 Products and Services; Suppliers.

Franchisor will designate the products and services to be offered by the Franchise Business and will continually provide Franchisee with any updates in Franchisor's specifications for products or services. Franchisor will provide sources of supply for all authorized products and services.

5.8 Operational Assistance.

Franchisor will provide reasonable operational advice and assistance to Franchisee by telephone or Internet, including advice on specific services or products, if requested by Franchisee.

5.9 Advertising.

Franchisor or a person designated by Franchisor will administer the Franchisor's advertising programs. Franchisor will also review for approval, any local advertising proposed by Franchisee. See Sections 4.3 and 4.4 and Article 9.

5.10 Indemnification for Trademark Actions.

Franchisor will indemnify Franchisee for certain liabilities arising from use of the Franchise Marks as provided in Section 6.4.

ARTICLE 6 - USE AND PROTECTION OF FRANCHISE MARKS

6.1 Non-ownership of Franchise Marks.

Nothing in this Agreement gives Franchisee any right, title, or interest in or to any of the Franchise Marks, except a mere privilege and license during the term of this Agreement, to display and use the Franchise Marks according to the terms and conditions of this Agreement.

6.2 Use of Franchise Marks.

Franchisee must use the Franchise Marks only in connection with the operation of the Franchise Business pursuant to the Franchise Systems and only in the manner specified in this Agreement or by Franchisor. The Franchise Business must be operated under the Franchise Marks and under no other name or mark. Franchisee must not use the Franchise Marks in connection with any products or services not specifically authorized by Franchisor in writing. Franchisee must not reproduce or cause to be reproduced any Franchise Marks in any manner, including reproduction on forms or invoices, in connection with advertising, marketing or promotion, or on the Internet or in an Internet domain name, homepage, electronic address or otherwise in connection with a website, or in connection with any social networks, wikis, podcasts, online forums, content sharing communities, blogging, microblogging or other social media, without the prior written approval of Franchisor. Franchisee must not use the Franchise Marks in its business, corporate, partnership or limited liability company name. However, Franchisee must register to do business under the assumed business name of "Savvy Sliders" with an additional number or designation as determined by Franchisor to distinguish the assumed name from other Restaurants (for example: "Savvy Sliders #1").

On expiration or termination of this Agreement, Franchisor may, if Franchisee does not do so, sign in Franchisee's name and on Franchisee's behalf, any documents necessary in Franchisor's judgment to end and cause discontinuance of Franchisee's use of the Franchise Marks and Franchisor is irrevocably appointed and designated as Franchisee's attorney-in-fact for that purpose.

6.3 Use of Other Trademarks.

Franchisee must not display the trademark, service mark, trade name, insignia or logotype of any other person, firm or corporation in connection with the operation of the Franchise Business without the prior written consent of Franchisor, which may be withheld in Franchisor's sole subjective discretion.

6.4 Defense of Franchise Marks.

If Franchisee receives notice, or is informed, of any claim, suit or demand against Franchisee on account of any alleged infringement, unfair competition, or similar matter relating to Franchisee's use of the Franchise Marks, Franchisee must promptly notify Franchisor of any such claim, suit or demand. Franchisor will then take such action as Franchisor deems necessary and appropriate to protect and defend Franchisee against such claim by any third party. Franchisee must not settle or compromise any such claim by a third party without the prior written consent of Franchisor. Franchisor will have the sole right to defend, compromise or settle any such claim, in its discretion, using attorneys of its choosing, and Franchisee agrees to cooperate fully with

Franchisor in connection with the defense of any such claim. Franchisee may participate at its own expense in such defense or settlement, but Franchisor's decisions with regard to the Franchise Marks will be final.

Franchisor will indemnify Franchisee against liability to third parties resulting from claims by third parties that Franchisee's use of the Franchise Marks infringes trademark rights of the third party, but only if (a) Franchisee has used the Franchise Marks in accordance with the requirements of this Agreement and Franchisor's specifications and (b) Franchisee has given notice to Franchisor of the claim within ten (10) days of receipt by Franchisee of the claim and Franchisee has tendered the defense of the claim to Franchisor.

6.5 Prosecution of Infringers.

If Franchisee receives notice or is informed or learns that any third party, who Franchisee believes is unauthorized to use the Franchise Marks, is using the Franchise Marks or any name or mark confusingly similar to the Franchise Marks, Franchisee must promptly notify Franchisor of the facts relating to such alleged infringing use. Franchisor will then, in its sole discretion, determine whether or not it wishes to take any action against such third person on account of such alleged infringement of the Franchise Marks. Franchisee will have no right to make any demand against any such alleged infringer or to prosecute any claim of any kind or nature whatsoever against such alleged infringer for or on account of such infringement. If Franchisor chooses to prosecute any violation of the Franchise Marks, Franchisee must sign all documents and do all acts necessary or incidental to that action as counsel for Franchisor may reasonably request.

6.6 Modification or Substitution of Franchise Marks.

Franchisor may change the authorization to use the Franchise Marks contained in this Agreement, including adding, discontinuing or modifying Franchise Marks, or substituting different Franchise Marks, by issuing, in a written notice, a description of the changes and the products or services to which they relate. Franchisee is required to use and abide by these changes or substitutions. Franchisor may make the changes because of the rejection of any pending registrations or the revocation of any existing registrations of the Franchise Marks, or due to the rights of senior users, or for other business reasons, except Franchisor must make all such changes in the authorized Franchise Marks on a uniform basis for all similarly situated Restaurants in a particular market.

6.7 Prohibition Against Disputing Franchisor's Rights.

Franchisee acknowledges the validity of the Franchise Marks and that the Franchise Marks are the exclusive property of Franchisor. Franchisee also agrees that any further rights or goodwill that may develop in any of the Franchise Marks in the future will inure solely to the benefit of Franchisor. Franchisee now asserts no claim and will hereafter assert no claim to any goodwill, reputation or ownership of the Franchise Marks by virtue of Franchisee's licensed use of the Franchise Marks or for any other reason. Franchisee agrees that it will not, during or after the term of this Agreement, in any way dispute or impugn the validity of the Franchise Marks, or the rights of Franchisor in the Franchise Marks, or the rights of Franchisor or other Franchisees of Franchisor to use the Franchise Marks.

ARTICLE 7 - FRANCHISE LOCATION, LEASE AND OTHER PRE-OPENING OBLIGATIONS

7.1 Location Selection and Approval.

The location for the Franchise Business must be approved in advance in writing by Franchisor and Franchisee must always operate its Franchise Business only at a location approved in writing by Franchisor (the location approved in writing by Franchisor will be referred to in this Agreement as the "Franchise Location"). If a location for the Franchise Business has been determined and approved before the signing of this Agreement, that location will be designated in Item 2 of Appendix A. If the exact location of the Franchise Business has not been determined before signing of this Agreement, Franchisee must use its best efforts to find a suitable location for the Franchise Business within the area designated in Item 2 of Appendix A. Franchisee must submit to Franchisor, in a form acceptable to Franchisor, a description of the proposed site, evidence confirming the Franchisee's prospects for obtaining the site, demographic information, economic terms, use clause and any other materials Franchisor specifies before Franchisor will consider approving the location. Franchisor's approval of a location will remain effective only if Franchisee meets the following deadlines: (a) within a period of three (3) months from approval, Franchisee must have a signed lease for the approved location; and (b) within a period of nine (9) months from approval, Franchisee must open its Restaurant for business. If Franchisee does not sign a lease for the approved location within the three-month period or open its Restaurant for business at the approved location within the nine-month period, the location will have to be re-submitted to Franchisor for approval. These time periods do not extend the required opening date for the Franchise Business as specified in Section 8.1.

Although Franchisor may provide its assistance in obtaining a Franchise Location, it is Franchisee's responsibility to obtain and evaluate its commercial value for operation of the Franchise Business. Franchisor's location recommendations and its approval of the Franchise Location do not constitute a representation or guaranty of the commercial value or success of the Franchise Location.

If the Franchise Location approved by Franchisor becomes unusable for the Franchise Business, Franchisee must use its best efforts to find a substitute location for the Franchise Business. The substitute location must be approved in writing by Franchisor. Franchisee will be responsible for all costs associated with relocating the Franchise Location. Once Franchisee has moved the Franchise Business to the new location, that location will be considered the Franchise Location for purposes of this Agreement. If the Franchise Location became unusable through no fault of Franchisee and a substitute location is not available, this Agreement will terminate on conclusion of operation of the Franchise Business at the Franchise Location.

7.2 Franchisor's Right to Own or Lease.

Franchisor will have the right, at its option, to purchase or lease the Franchise Location, or have an affiliate purchase or lease the Franchise Location, for lease or sublease to Franchisee. The lease or sublease to Franchisee will be on Franchisor's standard form of lease or sublease. This provision applies even if Franchisee owns the Franchise Location. If Franchisor subleases the Franchise Location to Franchisee, Franchisee and the owners of Franchisee must personally guaranty Franchisor's obligations under the prime lease.

7.3 Lease Requirements; Use of Counsel Designated by Franchisor.

If Franchisee leases the Franchise Location from a third party, Franchisor will have the right to review and comment on the lease before Franchisee signs the lease. Also, the lease must not be terminated, renewed, or in any way altered or amended by Franchisee without the prior written consent of Franchisor. Although Franchisor has the right to review and comment on Franchisee's lease for the Franchise Location, Franchisee acknowledges that Franchisor will not evaluate or be responsible for the commercial reasonableness or suitability of the lease and that Franchisee is solely responsible for those matters. The location must be approved by Franchisor under Section 7.1 before a lease for the location is signed by Franchisee.

As a condition for approval by Franchisor, Franchisee's lease with a third party must contain the provisions specified by Franchisor, including provisions: (a) prohibiting the Franchise Location from being used for any purpose other than a Restaurant; (b) recognizing and allowing Franchisor's right to assignment of the lease in certain situations; (c) recognizing and allowing Franchisor's right to enter the Franchise Location to inspect and audit the Franchise Business or to make any modifications necessary to protect the Franchise Marks; (d) if the Franchise Location is located in a strip mall, shopping center or similar location, prohibiting the landlord from leasing any other space in the mall or center to another business that sells the same products as a Restaurant; (e) requiring the landlord to give written notice and an opportunity for Franchisor or a person specified by Franchisor, to cure any default of Franchisee under the lease before landlord exercises any remedy under the lease; (f) requiring landlord and Franchisee to give Franchisor thirty (30) days prior written notice of: (i) the cancellation or termination of the lease prior to the expiration date of the lease; (ii) an assignment or attempted assignment of the lease by the landlord or Franchisee; (iii) the sublease or attempted sublease by Franchisee; and (iv) any modification of the lease; and (g) requiring landlord and Franchisee to provide written notice to Franchisor within fifteen (15) days after: (i) Franchisee exercises any option to extend the lease; (ii) landlord and Franchisee renew the lease; and (iii) the landlord institutes any action against Franchisee, including an eviction action. Except in accordance with this Agreement, Franchisee must not assign its lease or let or sublet the Franchise Location or any portion of the Franchise Location without the prior written consent of Franchisor.

7.4 Licenses and Permits.

Franchisee must obtain all permits and licenses, including without limitation, zoning and other approvals, occupancy permits and liquor licenses if applicable, as required under federal, state or local law for the lawful construction and operation of the Franchise Business, together with all certifications from government authorities having jurisdiction over the site that all requirements for construction and operation have been met, including without limitation, zoning, access, sign, health, fire and safety requirements, building and other required construction permits, licenses to do business and fictitious name registrations, licenses to serve liquor if applicable, sales tax permits, health and sanitation permits and ratings and fire clearances. Franchisor may, in its discretion, assist Franchisee in applying for and obtaining approval of permits and licenses. Franchisor may charge a reasonable fee for these services. If requested by Franchisor, Franchisee must execute and deliver to Franchisor a certification, in the form specified by Franchisor, to confirm Franchisee's compliance with the Americans With Disabilities Act ("ADA") and other

provisions of this Section not later than thirty (30) days before the date the Franchise Business begins operating. If Franchisee opens the Franchise Business, however, without first submitting the certification to Franchisor, then the opening of the Franchise Business will constitute Franchisee's affirmation of full compliance with the ADA and this Section. Franchisee must keep copies of all health department, fire department, building department and other similar state and local agency and entity certifications, liquor licenses if applicable, other licenses, and reports of inspections on file and available for review by Franchisor.

7.5 Completion of Training.

Franchisee must successfully complete the training program specified by Franchisor, to the satisfaction of Franchisor, before beginning operation of the Franchise Business.

7.6 Development of Franchise Location.

Franchisee must fully develop the Franchise Business in accordance with Franchisor's specifications. Franchisee must construct and/or improve the Franchise Location in compliance with Franchisor's specifications, including but not limited to specifications for build-out, decor, signage, equipment layout, space, etc. Franchisor must approve all construction agreements, and all drawings, plans and specifications relating to the construction and/or improvement of the Franchise Location. Franchisee must hire a design firm, construction manager and/or general contractor specified or approved by Franchisor to design and construct or improve the Franchise Location in accordance with Franchisor's specifications. If Franchisor has not specified a design firm, construction manager and/or general contractor for Franchisee's area or Franchisee desires to use a different design firm, construction manager or general contractor, Franchisee must obtain Franchisor's prior written approval the design firm, construction manager or general contractor used by Franchisee. Franchisee agrees to submit the information and documentation requested by Franchisor in connection with Franchisor's review of a design firm, construction manager or general contractor for approval. Franchisee agrees to obtain all customary contractors' sworn statements and partial and final lien waivers for construction, remodeling, decorating and installation of equipment at the Franchise Location. Franchisee must complete development of the Franchise Location and purchase and install all equipment, fixtures, signs and supplies specified by Franchisor at the Franchise Location before opening the Franchise Business. Franchisor will have the right to inspect and approve the construction before Franchisee opens the Franchise Business to make sure Franchisor's specifications have been followed. If, in the opinion of Franchisor, the Franchisor's specifications have not been followed, Franchisee must resolve any issues to the satisfaction of Franchisor before opening the Franchise Business.

Although Franchisor has the right to review and comment on and must designate or approve all construction agreements, and all drawings, plans and specifications, design firms, construction managers and general contractors relating to the construction and/or improvement of the Franchise Location, Franchisor is only acting to ensure compliance with Franchisor's specifications. Franchisee acknowledges that Franchisor will not evaluate or be responsible for compliance with governmental requirements, legal requirements, or adequacy of design and engineering relating to the design and construction and/or improvement of the Franchise Location and that Franchisee is solely responsible for those matters. Franchisor will not have any liability to Franchisee or others if the Franchise Location fails to comply with governmental or legal standards or if the design and

engineering is otherwise inadequate and Franchisee must indemnify and hold harmless Franchisor for and against any such liability incurred by Franchisor.

7.7 Telephone Numbers; Internet Access.

Franchisee must acquire and maintain telephone lines dedicated solely to the Franchise Business. Franchisor may, at its option, obtain and register in its name, the telephone number or numbers to be used by the Franchise Business. Franchisee must pay all costs and charges for the installation, maintenance and use of the telephone number or numbers, even if those numbers are obtained and registered in the name of Franchisor. Franchisee must also acquire and maintain high-speed Internet access and an e-mail address so that Franchisee may communicate with Franchisor by e-mail, access any web-based Computer Systems and Franchisor's extranet (if applicable) and Franchisee's customers may communicate with Franchisee by e-mail. Franchisor has a right to assignment of the telephone and fax numbers, email addresses, website addresses, domain names or other comparable electronic identifiers and written and online directory listings that are used in the Franchise Business and Franchisee grants Franchisor a power or attorney for purposes of exercising that right. See Section 19.14 and Appendix E.

ARTICLE 8 - OPERATIONS

8.1 Opening Date; Continuing Operations and Best Efforts.

Franchisee must begin operation of the Franchise Business by the earlier of: (a) one (1) year from the date of this Agreement; or (b) the date specified in Item 4 of Appendix A. If operations do not begin by the specified date, Franchisor may terminate this Agreement and retain all fees paid. Franchisee must continually operate the Franchise Business after opening in accordance with the provisions of this Agreement throughout the term of this Agreement. Franchisee must use its best efforts to promote and maximize the sales of the Franchise Business throughout the term of this Agreement. Franchisee must maintain at all times, sufficient equipment, supplies and personnel to operate the Franchise Business at optimal capacity and efficiency as specified by Franchisor.

8.2 Standards of Operation; Operations Manual.

Franchisee acknowledges that every component of the Franchise Systems is important to Franchisor and to the operation of the Franchise Business. Franchisee must, at all times, operate and maintain the Franchise Business in a competent manner and in full compliance with all aspects of the Franchise Systems specified by Franchisor. In all business dealings with the public, Franchisee must be governed by the highest standards of honesty, integrity, fair dealing and ethical conduct.

Franchisee must comply with all lawful and reasonable policies and procedures specified by Franchisor in connection with the operation of the Franchise Business. These specifications may include standards, techniques and procedures for: (a) the safety, maintenance, cleanliness, sanitation, function, hours of operation and appearance of the Franchise Business and its equipment, fixtures, furniture, decor and signs; (b) qualifications, dress, uniforms, grooming, general appearance, and demeanor; (c) the products and services required or authorized to be offered and sold by the Franchise Business; (d) type, shelf life, quality, taste, portion control, and uniformity and

manner of preparation and sale of all of the products sold by the Franchise Business; (e) methods and procedures relating to receiving and preparing customer orders and delivery; (f) the handling and serving of alcoholic beverages; (g) sales, advertising and promotional techniques and programs; (h) construction, maintenance and appearance of the Franchise Business and the Franchise Location; (i) payment, credit, accounting and financial reporting policies and procedures; (j) use of Franchisor's intranet (if established) for entering sales and other information, making schedules, projecting sales, ordering supplies, entering expenses, receiving reports and other operational requirements as specified by Franchisor; (k) purchase and maintenance of equipment, fixtures and inventory; (l) insurance coverage; (m) use of standard forms and the Franchise Marks; (n) use and illumination of exterior and interior signs, displays and similar items; (o) atmosphere of the Franchise Location, including, without limitation, such things as music and lighting; (p) warranties to customers and the handling of customer complaints and customer communications; (q) identification, pursuant to Franchisor's specifications, of the Franchise Business as an independently owned and operated business; (r) attendance by Franchisee and managers at required training programs and meetings; (s) using and honoring gift certificates, coupons and other such local and national promotional programs authorized or specified by Franchisor; and (t) other details of the operation of the Franchise Business and the relationship between Franchisor and Franchisee.

The policies and procedures specified by Franchisor may be contained in training, operating and/or policy manuals of Franchisor or in memos, bulletins, newsletters, emails, or other written or electronic materials prepared by Franchisor (for the purposes of this Agreement, "Operations Manual" will mean all manuals or other written materials relating to the Franchise Systems or containing Franchisor's specifications). Franchisee will be loaned a copy of any currently existing Operations Manual after the signing of this Agreement or when and if prepared by Franchisor and made available to franchisees. Franchisee will be loaned any applicable modifications or additions to the Operations Manual as they become available. The Operations Manual remains the property of Franchisor, must not be duplicated, and must be returned to Franchisor immediately on request or on expiration or termination of this Agreement.

Franchisee must at all times ensure that its copy of the Operations Manual is kept current and up to date. If there is a dispute as to the contents of the Operations Manual, the terms and dates of the master copy of the Operations Manual maintained by Franchisor at its place of business will be controlling.

Due to the nature of operation of the Franchise Business and the fact that the specifications for the Franchise Business must and do change, Franchisor reserves the right to change the Franchise Systems after the signing of this Agreement and to change the terms of the Operations Manual after the signing of this Agreement to reflect those changes. Franchisee must comply with all such changes immediately on written notice from Franchisor of the change. The Operations Manual cannot change the terms of this Agreement, but will be in addition to this Agreement and will have the same effect as if set forth in this Agreement. If the Operations Manual is inconsistent with this Agreement, this Agreement will control. Franchisor agrees that it will specify its policies and procedures in a reasonable manner.

8.3 Minimum Performance Requirement.

After Franchisee has been operating the Franchise Business for twelve (12) months or more, Franchisee must achieve minimum total Gross Revenues of Seven Hundred Thousand Dollars (\$700,000) for each calendar year (“Minimum Performance Requirement”). If Franchisee fails to meet the Minimum Performance Requirement for a calendar year, Franchisor may provide written notice of the failure to Franchisee. If, after such notice, Franchisee does not meet the Minimum Performance Requirement for the next consecutive calendar year, Franchisor may, but is not obligated to, have Franchisor employees or third party contractors work with Franchisee and assist Franchisee in improving its operations and increasing its revenues. Franchisee will be responsible for all costs associated with that assistance, including travel and living expenses and a per diem or hourly charge for the employees and/or third party contractors providing the assistance. In addition, if Franchisor has provided notice to Franchisee of failure to meet the Minimum Performance Requirement for a calendar year within ninety (90) days of the end of that calendar year and Franchisee fails to meet the Minimum Performance Requirement for a second consecutive calendar year, Franchisor may elect to terminate this Agreement under Section 14.4 of this Agreement.

8.4 Acquisition of Products and Services.

Franchisee must obtain all equipment, fixtures, signs, inventory, food products, packaging materials, paper and plastic products, menus, uniforms and all other products and services specified by Franchisor for development and operation of the Franchise Business.

8.5 Specifications and Designated Suppliers for Products and Services.

In order to maintain uniqueness, consistency, uniformity, quality and identity of Restaurants and the products and services offered and sold by Restaurants and the group purchasing power of Restaurants, Franchisee must comply with the product, service and supply requirements set forth in this Section.

Franchisee must purchase all equipment, fixtures, signs, inventory, food products, packaging materials, paper and plastic products, menus, uniforms, insurance, advertising materials and services, merchant processing services, and all other products and services used in the development and operation of the Franchise Business in accordance with Franchisor’s specifications and only from Franchisor or a supplier or distributor designated by Franchisor. Franchisee must purchase all design/build and construction services in accordance with Franchisor’s specifications and only from Franchisor or a supplier designated by Franchisor or from a supplier approved by Franchisor under Section 7.6. Franchisee acknowledges that a supplier designated by Franchisor may be an affiliate of Franchisor.

The designation by Franchisor of a manufacturer, supplier, distributor, design firm, construction manager, general contractor or other provider of products or services does not create any express or implied promise, guaranty or warranty by Franchisor as to the products or services of the manufacturer, supplier or distributor and Franchisor disclaims any such promises, guaranties or warranties. Franchisee agrees that Franchisor will not have any liability to Franchisee for any claims, damages or losses suffered by Franchisee as a result of or arising from the products or services provided by or the acts or omissions of any manufacturer, supplier, distributor, design

firm, construction manager, general contractor or other provider of products or services designated or approved by Franchisor.

Franchisee acknowledges and agrees that Franchisor and/or its affiliates have the right to receive rebates, commissions, dividends, distributions or other fees, discounts or payments from designated manufacturers, suppliers, distributors or other providers of products or services based on sales of products or services to the Franchise Business and other Restaurants (“Supplier Payments”). Franchisee agrees that Franchisor and its affiliates will have the right to collect all Supplier Payments and to use the Supplier Payments for any purpose in Franchisor’s sole discretion. Franchisee must cooperate with Franchisor and its affiliates in the collection of Supplier Payments. Franchisee also acknowledges and agrees that Franchisor, in its sole discretion, and on a non-uniform basis, may: (i) pay, pass-through or waive some or all of the Supplier Payments to or for the benefit of franchisees in certain markets or to or for the benefit of some, but not all, franchisees in a particular market; or (ii) use the Supplier Payments for any other purpose, including purposes that may benefit certain markets or some, but not all, franchisees in a particular market.

Any products or services sold by or through Franchisor or its affiliates will be sold in accordance with the terms set forth in memos, bulletins, emails, franchisee meetings or otherwise in writing by Franchisor, its affiliate or by the manufacturer of the products. These terms may be modified from time to time on written notice from Franchisor, its affiliate or by the manufacturer of the products.

EXCEPT AS EXCLUSIVELY SET FORTH IN WRITING, FRANCHISOR AND ITS AFFILIATES MAKE NO WARRANTIES, EITHER EXPRESS OR IMPLIED, WITH RESPECT TO ANY PRODUCTS OR SERVICES SOLD BY OR THROUGH FRANCHISOR OR ITS AFFILIATES, INCLUDING BUT NOT LIMITED TO THE IMPLIED WARRANTY OF TITLE AND THE IMPLIED WARRANTIES OR MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. FRANCHISOR WILL NOT BE LIABLE FOR PERSONAL INJURY OR PROPERTY DAMAGE, LOSS OF PROFIT, OR OTHER INCIDENTAL, CONSEQUENTIAL OR SPECIAL DAMAGES ARISING OUT OF THE USE OR INABILITY TO USE THE PRODUCTS AND SERVICES SOLD BY OR THROUGH FRANCHISOR OR ITS AFFILIATES OR FOR ANY DAMAGES (REGARDLESS OF THEIR NATURE) CAUSED BY FRANCHISOR’S FAILURE TO FULFILL ITS RESPONSIBILITIES UNDER THIS AGREEMENT. FRANCHISOR’S AND ITS AFFILIATES’ SOLE LIABILITY FOR ANY WARRANTIES GRANTED IS TO REPAIR OR REPLACE, AT FRANCHISOR’S OR ITS AFFILIATES’ OPTION, ANY PRODUCTS AND SERVICES SOLD BY OR THROUGH FRANCHISOR AND ITS AFFILIATES THAT ARE NOT IN COMPLIANCE WITH THE WARRANTY. IN NO EVENT WILL FRANCHISOR’S AND ITS AFFILIATES’ LIABILITY RELATING TO PRODUCTS AND SERVICES SOLD BY OR THROUGH FRANCHISOR AND ITS AFFILIATES EXCEED THE STATED SELLING PRICE OF THE PRODUCTS AND SERVICES TO FRANCHISEE. ANY WARRANTIES GRANTED WILL BE VOID AND OF NO FORCE AND EFFECT WITH RESPECT TO ANY PRODUCTS THAT ARE DAMAGED AS A RESULT OF (A) NEGLIGENCE, ALTERATION OR ACCIDENT OR (B) IMPROPER USE, INCLUDING FAILURE TO FOLLOW OPERATING AND MAINTENANCE PROCEDURES SPECIFIED BY FRANCHISOR AND ITS AFFILIATES.

8.6 Products and Services.

Franchisee must sell all products and provide all services that Franchisor specifies for sale for the Franchise Business. Franchisee must not sell any products, provide any services or engage in any business at the Franchise Business or Franchise Location other than those specified by Franchisor without written authorization from Franchisor. Franchisor may add or delete required or authorized products or services to be provided by the Franchise Business. If any products or services are added, Franchisee must be qualified to provide the products and services before Franchisor will authorize Franchisee to offer those products and services. If a product or service is deleted, Franchisee must cease offering that product or service immediately on written notice from Franchisor. Franchisor will make all changes in the required products and services for good faith marketing reasons and on a uniform basis for all similarly situated franchisees in a particular market, except when test marketing products or services.

Franchisor may, in its discretion, authorize Franchisee to sell alcoholic beverages at the Franchise Business if Franchisee is able to obtain the required licenses and permits. If Franchisee is authorized to sell alcoholic beverages, Franchisee must strictly comply with state and local laws and regulations relating to the sale of alcoholic beverages and any standards and procedures specified by Franchisor.

8.7 Pricing; Promotional Programs; Gift Cards.

In order to enhance the competitive position and consumer acceptance for the products and services of Restaurants, Franchisor may exercise rights with respect to the pricing of products and services to the fullest extent permitted by then-applicable law. These rights may include, without limitation: (a) prescribing the maximum and/or minimum retail prices that Franchisee may charge customers for the products and/or services offered and sold at the Franchise Business; (b) recommending retail prices; (c) advertising specific retail prices for some or all products or services sold by the Franchise Business, which prices Franchisee will be required to observe; (d) engaging in marketing programs, promotional programs, drives, giveaways, contests and other campaigns that Franchisee must participate in and that may directly or indirectly impact Franchisee's retail prices; and (e) otherwise mandating, directly or indirectly, the maximum and/or minimum retail prices that the Franchise Business may charge the public for the products and services it offers. Franchisor may engage in any such activity either periodically or throughout the term of this Agreement. Further, Franchisor may engage in such activity only in certain geographic areas (e.g. cities, states, regions) and not others, or with regard to certain subsets of franchisees (e.g. airports, arenas, other captive audiences) and not others. Franchisee acknowledges and agrees that any maximum, minimum or other prices Franchisor prescribes or suggests may or may not optimize the revenues or profitability of the Franchise Business and Franchisee irrevocably waives any and all claims arising from or related to Franchisor's prescription or suggestion of retail prices for the Franchise Business.

Franchisee agrees to participate in any gift cards, electronic gift or money cards (E-cards), rewards programs, frequency cards, or other programs specified by Franchisor and to honor all such cards issued by Franchisor or by other franchisees in accordance with Franchisor's policies. Franchisee acknowledges and agrees that Franchisee's participation in those programs is integral to the Franchise Systems and to the success of those programs. Franchisor or a person designated by Franchisor will administer any gift and E-card, rewards programs, frequency cards, or other such

programs specified by Franchisor. Franchisee agrees that Franchisor may charge an administrative fee for administrating those programs.

8.8 Maintenance; Refurbishing; Alterations.

Franchisee must maintain the Franchise Location, equipment, furniture, fixtures, signs and other property of the Franchise Business in a clean, attractive and safe condition and in good maintenance and repair and in compliance with the standards specified by Franchisor. Franchisee must, at its expense, engage in any program of preventative maintenance specified by Franchisor for the equipment, furniture, fixtures, signs and other property of the Franchise Business. As part of a preventative maintenance program, Franchisor may specify the timing and manner of performing the maintenance services and may designate one or more suppliers that Franchisee may be required to use for preventative maintenance services.

If at any time, in Franchisor's reasonable judgment, the general state of repair, appearance or cleanliness of the Franchise Location or its equipment, fixtures or signs do not meet Franchisor's standards, Franchisor may notify Franchisee in writing, specifying the action to be taken by Franchisee to correct the deficiency. Franchisee must initiate the specified action within: (a) twenty-four (24) hours after receipt of the notice if the deficiency creates a health hazard or a dangerous situation for the public or customers of the Franchise Business; or (b) seven (7) days after receipt of the notice in all other cases. Franchisee must thereafter diligently and in good faith proceed to complete the specified action. If Franchisee fails to timely initiate and complete the specified action, Franchisor will have the right, but not the obligation, to enter the Franchise Location and cause the specified action to be taken on behalf of Franchisee. This action may be taken by Franchisor or a person designated by Franchisor, which may be an affiliate of Franchisor. Franchisee will be responsible for the entire cost of the action taken, the expenses incurred by the Franchisor and its agents for time, travel, and lodging, plus an amount equal to ten percent (10%) of the costs and expenses as an administrative fee and must pay Franchisor for the costs, expenses, and administrative fee immediately on demand.

In addition to regular maintenance obligations, within six (6) months of Franchisor's request, Franchisee must refurbish the Franchise Location to maintain or improve the appearance and efficient operation of the Franchise Business to increase its sales potential and to comply with Franchisor's then current standards and identity. However, Franchisee will not be required to refurbish the Franchise Location more than once every three (3) years. The requirement to refurbish the Franchise Location will be imposed uniformly on all Franchisees presently acquiring Restaurants, but the expenses incurred in fulfilling the requirement will vary depending on such factors as the condition of the Franchise Location and local costs of construction.

Franchisee must make no material alterations to the leasehold improvements or appearance of the Franchise Location and must not make any material alterations to the equipment, fixtures or signs of the Franchise Business without prior written approval of Franchisor. Franchisor agrees not to unreasonably withhold such approval provided that the alterations are not inconsistent with the image of the Franchise Systems and are not prohibited by Franchisee's lease or by law.

8.9 Designated Owners; Managers.

The individual or at least one (1) of the individuals designated in Item 5 on Appendix A (a "Designated Owner"), must: (a) devote his or her full time and effort to the day-to-day active management and operation of the Franchise Business; (b) personally exercise his or her best efforts to market the Franchise Business and maximize customer satisfaction; (c) preserve and exercise ultimate authority and responsibility with respect to the management and operation of the Franchise Business; and (d) represent and act on behalf of Franchisee in all dealings with Franchisor. Each Designated Owner must have an ownership interest in Franchisee. If all of the Designated Owners listed in Item 5 of Appendix A resign, die or become incapacitated, it will be considered a transfer under the provisions of Article 13 of this Agreement. If Franchisee desires to have a manager, other than a Designated Owner, devote full time and effort to the day-to-day management and operation of the Franchise Business, the manager must successfully complete the training program designated by Franchisor and must be approved, in writing, by Franchisor. Franchisor must also approve, in writing, any change in such management personnel. Franchisee must have all of its managers sign an agreement relating to confidentiality and non-competition in the form specified by Franchisor as a condition of employment of the manager.

8.10 Employees.

Franchisee must hire all employees for the Franchise Business and must be exclusively responsible for the terms and conditions of their employment and compensation. Franchisee is responsible for compliance with all federal, state, county, municipal and other civil and criminal statutes, laws, ordinances, regulations, rules and orders of public authorities applicable to Franchisee's employment practices and employees, including but not limited to, the Fair Labor Standards Act and comparable laws regulating minimum wage, overtime pay, recordkeeping, youth employment standards and other aspects of employment. Franchisor will directly or indirectly not control and will not be responsible for Franchisee's payroll or other employee matters regardless of any information that Franchisor may provide in operations or training manuals or otherwise. Franchisee must indemnify and hold harmless Franchisor from and against any liability relating to or arising from Franchisee's employees, including joint employer liability and any failure to comply with employment related laws.

Franchisee must implement a training program for its employees in compliance with Franchisor's standards. Franchisee must maintain at all times a staff of trained employees sufficient to operate the Franchise Business in compliance with Franchisor's standards. Franchisee must require its employees and agents to sign an agreement relating to confidentiality and non-competition in the form specified by Franchisor as a condition of employment of the employee. Franchisee must ensure that all of its employees, while engaged in the operation of the Franchise Business wear uniforms conforming in color and design to those standard in the Franchise Systems and approved by Franchisor. Franchisee also must ensure that all of its employees present a neat and clean appearance and must render competent, sober, and courteous service to the patrons of the Franchise Business.

Franchisor may impose a reasonable charge on Franchisee for any training provided to Franchisee and/or its managers, beyond the initial training program described in Section 10.1. Any such fees will be uniform as to all persons attending training at that time and will be based on

Franchisor's out-of-pocket expenses plus an hourly or per diem rate of the training personnel involved. These fees are not refundable.

8.11 Insurance.

Franchisee must obtain and provide Franchisor with evidence of insurance in the amounts and with the coverages specified by Franchisor. Franchisee must purchase the specified insurance coverage from or through the Franchisor or a designated or approved supplier (see Section 8.5). The insurance coverage currently specified by Franchisor includes the following:

(a) Liability Insurance with the following limits: general aggregate--\$2,000,000; products/completed operations aggregate--\$2,000,000; personal and advertising injury--\$1,000,000; each occurrence--\$1,000,000; fire damage (any one fire)--\$500,000; medical expense (any one person)--\$5,000; and EPLI insurance with 3rd party coverage--\$50,000. If Franchisee is authorized to sell alcoholic beverages, Franchisee must also obtain liquor liability insurance of the type and in the amounts specified by Franchisor. The liability insurance must not exclude liability relating to communicable diseases.

(b) Property Insurance with the following limits: real property—replacement cost; personal property—replacement cost; business income/extra expense—actual loss sustained, twelve (12) months; outdoor and neon signs—covered; valuable papers, electronic media and records--\$10,000; accounts receivable--\$25,000; employee dishonesty--\$10,000; money and securities – loss inside--\$10,000; money and securities – loss outside--\$10,000; food spoilage--\$5,000; and extended water damage--\$10,000.

(c) Coverage Enhancements, including: expanded glass coverage; fire extinguisher recharge coverage--\$15,000; fire department service charge coverage--\$10,000; code update coverage; off-premises interruption of service--\$25,000; re-keying lock cylinders--\$1,000; consequential loss to merchandise; extended loss adjustment; pollutant clean up and removal--\$25,000.

(d) Non-owned and hired automobile liability insurance with minimum limits of \$1,000,000 per occurrence or the highest attainable limit available in the state in which the Franchise Business is located, if less than \$1,000,000.

(e) Business Owner's Umbrella Policy with limits of \$1,000,000 each occurrence and annual aggregate (currently this policy is recommended but not required).

(f) Worker's Compensation and/or Employer's Liability Insurance as required by law.

The types of insurance coverage required and the limits relating to the insurance coverage may be changed by Franchisor from time to time in its sole discretion. Evidence of the required insurance must be initially provided at least fourteen days before beginning operation of the Franchise Business. Certificates of renewal must be provided no later than fourteen (14) days before the expiration date of each policy. If Franchisee does not provide Franchisor with evidence of any required insurance policies at any due date, Franchisor may (but is not obligated to) purchase that insurance at Franchisee's expense. Franchisee must immediately reimburse Franchisor for the cost

of any insurance obtained by Franchisor and pay Franchisor an administrative fee equal to ten percent (10%) of the cost.

Each required insurance policy must meet the following requirements: (a) the policy must name Franchisor (and any affiliates or representatives of Franchisor that Franchisor may reasonably specify) as an additional insured on the form specified by Franchisor; (b) the policy must not be subject to cancellation, modification or amendment except after thirty (30) days written notice to Franchisor; (c) the insurance must be obtained from or through a designated or approved Supplier, as applicable, and an insurance carrier with an AM Best's Rating of not less than A-IX; (d) the policy must provide that failure by Franchisee to comply with any term, condition or provision of the insurance contract, or other conduct by Franchisee, will not void or otherwise affect the coverage afforded Franchisor or its affiliates or representatives (e.g. Franchisor, although named as an insured, will nevertheless be entitled to recover under such policies on any loss occasioned to Franchisor or its agents or employees by reason of the negligence of Franchisee or Franchisee's agents or employees); (e) the applicable policies must cover Franchisee's indemnification obligations under this Agreement; (f) the policy will be primary to and without right of contribution from any insurance purchased by Franchisor; and (g) the policy must contain a waiver of subrogation in favor of Franchisor for casualty losses. Franchisee's obligation to obtain and maintain the policies of insurance in the minimum amounts specified by Franchisor will not be limited in any way by reason of any insurance that may be maintained by Franchisor nor will Franchisee's obligation to obtain insurance relieve Franchisee of its liability for indemnification as provided in Section 8.15 of this Agreement.

Franchisee acknowledges that the insurance coverages and amounts specified by Franchisor reflect minimum amounts required by Franchisor and are not meant to reflect Franchisee's actual insurance coverage needs. It is Franchisee's responsibility to carefully evaluate its insurance needs and to obtain the insurance coverages and amounts as necessary to satisfy those insurance needs. In addition, the lease for the Franchise Location may require insurance coverages in excess of the amounts specified by Franchisor.

8.12 Payment Card Industry (PCI) Data Security Standard Requirements.

Franchisee must comply with the Payment Card Industry ("PCI") Data Security Standard ("DSS") Requirements and Security Assessment Procedures and other applicable PCI requirements ("PCI Requirements") in connection with the Franchise Business. It is Franchisee's responsibility to research and understand the PCI Requirements and to ensure that its business policies and practices comply with the PCI Requirements. Although Franchisor may provide advice and/or specify or provide POS systems or business software, Franchisor does not represent or warrant that those systems or software comply with the PCI Requirements and it will be the sole responsibility of Franchisee to ensure that its business practices comply with the PCI Requirements. Franchisee agrees to indemnify and hold harmless Franchisor and its affiliates, agents, and employees from and against any liability, damages, costs, and expenses (including reasonable attorneys' fees) incurred by Franchisor or its affiliates, agents, and employees as a result of or related to Franchisee's failure to comply with the PCI Requirements.

8.13 Compliance with Laws and Other Obligations; Taxes.

Franchisee must obtain and keep in force every registration, charter, license or permit required for the Franchise Business, including but not limited to any required liquor licenses, if applicable. Franchisee must comply with all federal, state, county, municipal and other civil and criminal statutes, laws, ordinances, regulations, rules and orders of public authorities applicable to the Franchise Business, including but not limited to those relating to the maintenance and operation of the Franchise Business, health, safety, sanitation, employment (including the Fair Labor Standards Act and comparable laws regulating minimum wage, overtime pay, recordkeeping, youth employment standards and other aspects of employment), environmental regulation and taxation. Franchisee must immediately notify Franchisor if any governmental department or agency begins an investigation of the Franchise Business, schedules a review, inspection or audit of the Franchise Business or takes any action against the Franchise Business.

Franchisee must pay, when due, all taxes of every kind applicable to the Franchise Business or the income of the Franchise Business, including all local, state or federal taxes. Franchisor will have no liability for any sales, use, service, occupation, excise, gross receipts, income, property, or other taxes, whether levied on Franchisee or the Franchise Business, due to the business Franchisee conducts (except for Franchisor's income taxes). Franchisee is responsible for paying these taxes and must reimburse Franchisor for any taxes that Franchisor must pay to any federal, state or local taxing authority on account of either Franchisee's operation or payments that Franchisee makes to Franchisor.

8.14 Separate Identification of Franchise Business.

Franchisee must identify the Franchise Business as a separate business by filing an assumed name certificate as appropriate in the state and/or county of location of the Franchise Business. Franchisee must conspicuously post at the Franchise Location a notice to the effect that the Franchise Business is owned independently of the Franchisor. Franchisee must identify itself conspicuously in all dealings with customers, suppliers, public officials, the personnel of the Franchise Business, and others as the owner of the Franchise Business under a franchise granted by Franchisor and to place notice of independent ownership on the forms, business cards, stationery, advertising, job postings, employment applications, and other materials specified by Franchisor.

8.15 Indemnification and Payment of Other Expenses Incurred by Franchisor.

Franchisee agrees that it will, at its sole cost, at all times defend, indemnify and hold harmless Franchisor, any affiliate of Franchisor, the affiliates, subsidiaries, successors and assigns and designees of each and the officers, directors, managers, employees, agents, attorneys, shareholders, owners, members, designees and representatives of all of the foregoing (the "Indemnitees") to the fullest extent permitted by law, from all claims, losses, liabilities and costs incurred in connection with any civil, criminal or governmental action, suit, proceeding, claim, demand, investigation, or formal or informal inquiry (regardless of whether any of the foregoing is reduced to judgment) or any settlement of the foregoing, which actually or allegedly, directly or indirectly, arises out of, is based on, is a result of, or is related in any way to Franchisee or any element of the establishment, construction, opening and operation of the Franchise Business, including, without limitation: any personal injury, death or property damage suffered by any customer, visitor, operator, employee or guest of the Franchise Business; crimes committed on or

near the Franchise Location or vehicles used by the Franchise Business; all acts, errors, neglects or omissions engaged in by Franchisee, its contractors or subcontractors, as well as any third party, arising out of or related to the design, construction, conversion, build-out, outfitting, remodeling, renovation or upgrading of the Franchise Location, whether or not any of the foregoing was approved by Franchisor; defects in any premises constructed by or operated by Franchisee, whether or not discoverable by Franchisee or Franchisor; all acts, errors, neglects or omissions of Franchisee or the Franchise Business and/or the owners, members, officers, directors, management, employees, agents, servants, contractors, partners, proprietors, affiliates or representatives of Franchisee or the Franchise Business (or any third party acting on behalf of or at the direction of Franchisee), whether in connection with the Franchise Business or otherwise, including, without limitation, any property damage, injury or death suffered or caused by any delivery person or vehicle serving the Franchise Business; all liabilities arising from or related to the offer, sale and/or delivery of products and/or services by Franchisee or the Franchise Business; and any action by any customer of Franchisee or visitor to the Franchise Business; and any action in which Franchisee or its owners are involved, whether or not Franchisor is a party to the action.

As used above, the phrase “claims, losses, liabilities and costs” includes: all claims; causes of action; fines; penalties; liabilities; losses; compensatory, exemplary, statutory or punitive damages or liabilities; costs of investigation; lost profits; court costs and expenses; reasonable attorneys’ and experts’ fees and disbursements; settlement amounts; judgments; compensation for damage to Franchisor’s reputation and goodwill; costs of or resulting from delays; travel, food lodging and other living expenses necessitated by the need or desire to appear before (or witness the proceedings of courts or tribunals (including arbitration tribunals), or government or quasi-governmental entities (including those incurred by Indemnitees’ attorneys and/or experts); all expenses of recall, refunds, compensation and public notices; any costs or expenses incurred in responding to subpoenas, discovery, or investigations in connection with the matters described above, whether or not Franchisor is a party to the action; and other such amounts incurred in connection with the matters described. All such losses and expenses incurred under this indemnification provision will be chargeable to and paid by Franchisee, regardless of any actions, activity or defense undertaken by Indemnitees or the subsequent success or failure of the actions, activity, or defense.

Franchisee agrees to give Franchisor written notice of any action, suit, proceeding, claim, demand, inquiry or investigation that could be the basis for a claim for indemnification by any Indemnitee within three days of Franchisee’s actual or constructive knowledge of it. At Franchisee’s expense and risk, Franchisor may elect to assume (but under no circumstance will Franchisor be obligated to undertake) the defense and/or settlement of the action, suit, proceeding, claim, demand, inquiry or investigation. Franchisor’s undertaking of defense and/or settlement will in no way diminish Franchisee’s obligation to indemnify Franchisor and other Indemnitees and to hold Franchisor and other Indemnitees harmless. Franchisor will have the right, at any time it considers appropriate, to offer, order, consent or agree to settlements or take any other remedial or corrective actions Franchisor considers expedient with respect to the action, suit, proceeding, claim, demand, inquiry or investigation if, in Franchisor’s sole judgment, there are reasonable grounds to do so.

This indemnity obligation will continue in full effect even after the expiration, transfer or termination of this Agreement. Franchisor's right to indemnity under this Agreement will arise and be valid notwithstanding that joint or concurrent liability may be imposed on Franchisor by statute, ordinance, regulation or other law. An Indemnitee need not seek recovery from any insurer or other third party, or otherwise mitigate its losses and expenses in order to maintain and recover fully a claim against Franchisee under this Section. Franchisee agrees that a failure to pursue recovery or mitigate a loss will not reduce or alter the amounts that an Indemnity may recover from Franchisee under this Section.

Franchisor may incur expenses associated with demands, claims, litigation and/or other actions that the Franchisor initiates or defends against to protect the Franchise Systems and Franchise Marks, including attorneys' fees, court costs and other legal expenses incurred by Franchisor. These actions may include, but are not limited to, actions to prevent others from using the Franchise Systems or Franchise Marks or to enforce other intellectual property rights associated with the Franchise Systems or Franchise Marks, enforcing system standards, and enforcing restrictions on competition. Franchisor will have the right to charge Franchisee for a reasonable allocable share of these expenses incurred by Franchisor. The allocable share will be determined by dividing the applicable expenses by all Restaurants or by dividing the applicable expenses by all Restaurants in a particular market if Franchisor determines that the action taken is primarily applicable to a particular market or in another manner specified by Franchisor. Franchisee must pay its allocable share of these expenses within 30 days of receipt of an invoice from Franchisor.

8.16 Participation in Franchisee Advisory and other Committees.

Franchisor may establish, from time to time, committees of Franchisees to advise Franchisor on various matters involving the Franchise Systems. Franchisee will be eligible to participate on such committees, in accordance with the rules established by Franchisor and each committee, but only if Franchisee is a Franchisee in good standing at that time and has been a Franchisee in good standing for the six month period before serving on the committee. In order to be a Franchisee in good standing, Franchisee must be: (a) current in all obligations to Franchisor and (b) operating in accordance with all of the requirements of the Franchise Systems, including requirements relating to quality, cleanliness and service.

8.17 Notices to Franchisor.

Franchisee must notify Franchisor in writing of the details of any of the following events, within one business day of the occurrence of the event:

(a) The start of any civil or criminal action, suit, countersuit or other proceeding against Franchisee or any Designated Owner.

(b) Franchisee, or any Designated Owner, receives a notice of noncompliance with any law, rule or regulation.

(c) The issuance of any order, writ, injunction, award or decree of any court, any agency or other governmental organization against Franchisee or any Designated Owner.

(d) Any complaints, inspections, reports, warnings, certificates or ratings of Franchisee or the Franchise Business, communicated, issued, performed, or scheduled by any governmental agency.

Franchisee must provide Franchisor with any additional information Franchisor requests, within five days of request, about the status, progress or outcome of any of the events listed in this Section. Franchisee's failure to provide the notice and/or additional information required by this Section will be considered a material default under this agreement.

8.18 Use of Franchisor's Website and other Technology in Operations.

Under the Franchise Systems as specified by Franchisor from time to time, Franchisee may be required to use the website, Computer Systems, intranet, extranet, mobile applications, digital menus and display boards, in-store marketing devices, and/or other technology developed and maintained by or on behalf of Franchisor (the "Franchise Technology"). Uses of the Franchise Technology may include, but are not limited to, advertising for all Savvy Sliders Restaurants, lists of Savvy Sliders Restaurants, online ordering for Savvy Sliders Restaurants, digital menus and display boards, in-store marketing devices, inventory control for franchisees, entering sales and other information, making schedules, projecting sales, reviewing reports, placing orders with Franchisor or designated suppliers, posting the Operations Manual and communication between Franchisor, franchisees and customers. The Franchise Technology specified by Franchisor must be used by Franchisee in the Franchise Business and in the manner specified by Franchisor.

THE FRANCHISE TECHNOLOGY AND ITS CONTENT ARE PROVIDED "AS-IS". FRANCHISOR AND ITS AGENTS AND LICENSORS DISCLAIM ANY AND ALL WARRANTIES RELATING TO THE FRANCHISE TECHNOLOGY, EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION, THE IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, TITLE AND NON-INFRINGEMENT, REGARDING ANY SUCH CONTENT AND FRANCHISEE'S ABILITY OR INABILITY TO USE THE FRANCHISE TECHNOLOGY AND ITS CONTENT.

USE OF THE FRANCHISE TECHNOLOGY IS AT YOUR SOLE RISK. FRANCHISOR WILL IN NO EVENT BE LIABLE TO YOU OR ANY PERSON OR ENTITY CLAIMING THROUGH YOU FOR ANY DIRECT, INDIRECT, CONSEQUENTIAL, INCIDENTAL OR OTHER DAMAGES UNDER ANY THEORY OR LAW FOR ANY ERRORS IN OR THE USE OF OR INABILITY TO USE THE FRANCHISE TECHNOLOGY AND ITS CONTENT INCLUDING WITHOUT LIMITATION, DAMAGES FOR LOST PROFITS, BUSINESS, DATA, OR DAMAGE TO ANY COMPUTER SYSTEMS.

ARTICLE 9 – ADVERTISING

9.1 Grand Opening Advertising.

Franchisor will provide guidance for Franchisee on an initial grand opening promotion, which may include grand opening advertising, free-standing inserts, direct mail, neighborhood and business to business marketing, newspaper advertising, public relations and publicity ideas.

Franchisee is responsible for all costs and expenses related to the grand opening advertising. Franchisee agrees to spend an amount specified by Franchisor, not to exceed Fifteen Thousand Dollars (\$15,000), to conduct grand opening advertising and promotions (this amount is separate from and in addition to advertising fees and additional advertising program contributions referenced in Sections 4.3 and 4.4). The grand opening and advertising promotions must occur within the period beginning two months before the opening of the Franchise Business and ending two (2) months after the opening of the Franchise Business. Franchisee must provide documentation to the reasonable satisfaction of Franchisor that Franchisee has spent the required amount on grand opening advertising and promotions within the specified time frame. If Franchisee does not provide such documentation, or does not spend the required amount on grand opening advertising and promotions within the prescribed time frame, Franchisee must pay the amount not satisfactorily documented or not spent to Franchisor on demand. These funds will either be spent on Franchisee's behalf to execute a grand opening promotion for Franchisee's Restaurant or be used in the Franchisor's advertising programs.

9.2 Administration of Advertising Payments.

Franchisee is required to pay advertising fees under Section 4.3 and may also be required to make additional contributions for advertising under Section 4.4. The advertising fees and additional advertising program contributions are together referred to as the "advertising payments." The advertising payments may be used in advertising programs that will be administered by Franchisor or an affiliate or an agency designated by Franchisor and for the other purposes described below. Advertising payments may not be uniform for all franchisees because Franchisor may implement specific advertising programs for some but not all markets and because advertising programs and administrative expenses may vary by market. Franchisor may use the advertising payments to: maximize general public recognition and patronage of the Marks and Systems; formulate, develop and produce advertising, promotional programs, and sales support materials for use by franchisees; conduct advertising and promotional programs on a national, regional or local level; provide marketing support services to franchisees; develop, maintain, and support social media and other digital marketing for the Franchisor and its franchisees; develop, maintain, and support the Franchise Technology, including websites, Computer Systems, online ordering systems, digital menus and display boards, and in-store marketing devices; obtain public relations services; pay the expenses of the advertising payments; and other uses determined by the Franchisor in its discretion. Franchisor may use the advertising payments to formulate, develop and produce advertising and promotional programs and to conduct advertising and promotional programs on a national, regional or local level as Franchisor determines in its discretion to be most effective in achieving the goals of the advertising payments. Franchisor is not required to spend Franchisee's advertising payments to place advertising in Franchisee's market or in any specific media. The advertising payments will be used to pay all expenses of the Franchisor's advertising programs. Franchisor reserves the right to engage the services of an advertising source or sources to formulate, develop, produce and conduct advertising and promotional programs. The cost of these services will be paid out of the advertising payments. The advertising payments may be used to reimburse Franchisor for overhead, including the proportionate compensation of employees or office and other costs of Franchisor relating to the formation, development and production of advertising or the administration of the advertising programs. Also, the advertising payments may be used for the solicitation for the sale of franchises.

Franchisor or an affiliate may receive income in connection with administration of the advertising programs and advertising payments.

Franchisor will submit to Franchisee, on request, an annual report of the receipts and disbursements of the advertising programs, unaudited and prepared by management of Franchisor.

In no event will Franchisor or any agency or specialist engaged by Franchisor be liable for consequential or incidental damages resulting from administration of the advertising programs or resulting from any advertising produced or placed by or on behalf of Franchisor or Franchisee or the failure to produce or place such advertising, including any claims for loss of business.

9.3 Approval of Advertising Materials.

All advertising by Franchisee in any medium, including signage, must be factual and dignified, must conform to the standards and specifications of Franchisor, and to the highest standards of ethical advertising practice, and must be approved by Franchisor in writing before it is used. No handwritten signs or otherwise non-conforming sign designs are allowed. No computer-generated signs are allowed unless they have been provided by Franchisor or approved in writing by Franchisor. Franchisee must submit to Franchisor for approval all marketing and promotion materials, including signage, prepared by Franchisee for the Franchise Business and not prepared by or previously approved by Franchisor. These materials must be submitted at least fourteen (14) days before use. Franchisor will have the right to disapprove the use of any advertising materials by Franchisee at any time. Even if Franchisor previously approved the use of advertising materials, Franchisee must discontinue the use of advertising materials immediately after Franchisor requests in writing. Franchisee must not use any advertising materials not approved by Franchisor. Franchisee agrees to refrain from any business or advertising that may be injurious to the business of Franchisor and the goodwill associated with the Franchise Marks and Franchise Systems and other Restaurants.

Franchisee's advertising and promotion must follow the Franchisor's guidelines. Franchisor's guidelines may, among other things, include limitations on the area or areas in which Franchisee may conduct advertising. If specified by Franchisor, all of Franchisee's advertising must contain notices of: (a) Franchisor's website domain name; (b) Franchisor's toll-free telephone number; and (c) a statement regarding the availability of Savvy Sliders franchises. Franchisee must include the following language in all advertising: "Each Savvy Sliders Restaurant is independently owned and operated."

9.4 Use of Internet, Social Media or Toll-Free Telephone Numbers.

Franchisee must not use the Internet, toll-free telephone numbers or any social networks, wikis, podcasts, online forums, content sharing communities, blogging, microblogging or other social media or similar methods with potential local, regional, national or worldwide scope in connection with the Franchise Business, except with the written consent of Franchisor and then only in accordance with the policies and procedures specified by Franchisor. Franchisor may, in its discretion, maintain an Internet site, social media or toll-free telephone numbers for the Franchise

Systems and allow Franchisee to participate in business generated by those methods under guidelines specified by Franchisor.

ARTICLE 10 - TRAINING

10.1 Initial Training.

Franchisor or its designated representative will make available an initial program to train Franchisee to operate the Franchise Business. Franchisee must not begin operating the Franchise Business unless a Designated Owner has attended and completed to Franchisor's satisfaction, the initial training program. The training program will consist of up to one (1) week of classroom training at Franchisor's offices and up to ninety (90) days of training in a Restaurant and will be conducted for up to two (2) persons (Designated Owners and managers), without charging a fee to Franchisee. If requested by Franchisee, Franchisor may, in its discretion, allow additional persons to attend the initial training program, but may, in that case, charge a reasonable fee for the training. Also, Franchisee will be responsible for paying its and its employees' wages or salaries, expenses for travel, food and lodging incurred during the training program. The persons attending the initial training program must sign an agreement relating to confidentiality and/or non-competition in the form specified by Franchisor before beginning the training program.

If Franchisor determines that Franchisee has not completed the training program to Franchisor's satisfaction or that Franchisee or Franchisee's team of employees is not ready to open the Franchise Business to the public in accordance with Franchisor's standards, Franchisor may: (a) require Franchisee and/or Franchisee's management employees designated by Franchisee to attend additional training before the Franchise Business opens to the public; and/or (b) require Franchisee to use additional assistance from Franchisor's representatives for a period of time during and after opening of the Franchise Business. The additional training and/or assistance will be at Franchisee's expense, including a charge for Franchisor's out-of-pocket expenses plus an hourly or per diem rate for the training personnel and/or representatives.

Franchisee acknowledges that although the initial training program may include some instruction on liquor operations and handling liquor, Franchisee is solely responsible for complying with all applicable state and local laws and regulations related to liquor licensing and serving alcoholic beverages. Franchisee is also solely responsible for training its employees on handling liquor and serving alcoholic beverages.

10.2 Franchisee's Training Program.

Franchisee will be solely responsible for training all of its employees who work in any capacity in the Franchise Business and will be responsible for all employees' compliance with the operations standards that are part of the Franchise Systems. Franchisee must conduct its employee training in accordance with Franchisor's specifications.

10.3 Additional Training, Sales Programs and Meetings.

A Designated Owner (or, if authorized by Franchisor, a manager) must, solely at Franchisee's expense, attend additional training, sales programs and meetings reasonably specified by Franchisor, including monthly franchise meetings if specified by Franchisor. Franchisor will

give reasonable notice of any additional specified training, sales programs or meetings. Franchisor may impose a reasonable charge on the Franchisee for any training provided to Franchisee and/or its managers beyond the initial training program described in Section 10.1. Any such fees will be uniform as to all persons attending additional training at that time and will be based on Franchisor's out-of-pocket expenses plus an hourly or per diem rate for the training personnel. Franchisor may require Franchisee to complete additional training before offering new products or services from the Franchise Business.

Franchisor may require that Franchisee's managers, including, without limitation, replacement managers in the event any previously trained manager-level employees are no longer employed at the Franchise Business, satisfactorily complete Franchisor's training programs and additional training programs. Franchisor may charge reasonable fees for training managers. Franchisee will be responsible for paying its and its employees' wages or salaries, expenses for travel, food and lodging incurred during all training courses and programs. Franchisee agrees to assist Franchisor in training other Savvy Sliders franchisees; provided that, Franchisor will reimburse Franchisee's out-of-pocket expenses for providing this assistance.

Franchisee understands and agrees that any specific ongoing training or advice Franchisor provides does not create an obligation (whether by course of dealing or otherwise) to continue to provide such specific training or advice, all of which Franchisor may discontinue and modify from time to time.

10.4 Franchisee's Responsibilities Relating to Training Provided by Franchisor.

Franchisee acknowledges and agrees that no compensation or other benefits will be paid by Franchisor to Franchisee, its principals, owners, managers, or employees for any services performed by Franchisee or its principals, owners, managers, or employees during training at any Restaurant operated by Franchisor, its affiliates or any other person. Franchisee will be responsible for compliance with all minimum wage and hour and other employment laws applicable to Franchisee's employees attending training and/or providing services during training. Franchisee assumes all responsibility for any injuries sustained by Franchisee, its principals, owners, managers or employees while attending training. Franchisee must maintain worker's compensation and/or employer's liability insurance coverage as required by law for all of Franchisee's employees while attending training and must provide proof of that coverage to Franchisor on request. Franchisee agrees to indemnify and hold harmless Franchisor and its affiliates, agents and employees from any injuries or damages arising out of or related to attendance and participation in training by Franchisee or its principals, owners, managers or employees.

ARTICLE 11 - CONFIDENTIAL INFORMATION

11.1 Confidential Information Defined.

Franchisor possesses and uses, and on signing of this Agreement Franchisee will have the right to possess and use, certain proprietary and/or confidential information relating to developing and operating a Restaurant (the "Confidential Information"). The Confidential Information includes, but is not limited to:

- (a) Operations Manuals, training methods, operations methods, menus, recipes, food preparation techniques and other techniques, processes, policies, procedures, systems and data;
- (b) Knowledge and experience relating to Restaurants;
- (c) Advertising, marketing techniques and advertising programs used in developing and operating Restaurants;
- (d) All information regarding the identities and business transactions of customers and suppliers;
- (e) Computer software and similar technology that has been or may be developed by or for Franchisor or its agents, which is proprietary to Franchisor, including, without limitation, digital passwords and identifications and any source code of, and data, reports, and other printed materials generated by, the software or similar technology;
- (f) Knowledge of the operating results and financial performance of Restaurants;
- (g) Other aspects of the Franchise Systems now or later revealed to Franchisee under this Agreement and all changes and enhancements in the Franchise Systems, even if developed by Franchisee.
- (h) Other property that Franchisor describes as being Confidential Information or trade secrets of the Franchise Systems.

11.2 Ownership and Use of Confidential Information.

Franchisee acknowledges that Franchisor owns the Confidential Information and agrees that Franchisee will not acquire any interest in the Confidential Information, other than the right to use it as Franchisor specifies solely for the purpose of establishing and operating the Franchise Business during the term of this Agreement. Franchisee acknowledges and agrees that the Confidential Information is proprietary to Franchisor and is disclosed to Franchisee in confidence only on the condition that Franchisee and its shareholders, officers, directors, partners, members, managers, owners, investors, employees and agents, Family Members (defined in Section 12.4) and affiliates of Franchisee agree that they will:

- (a) Not use the Confidential Information in any business or capacity other than in the Franchise Business as authorized by this Agreement, both during the term of this Agreement and after expiration or termination of this Agreement for as long as the Confidential Information is not generally known in the industry;
- (b) Keep each item deemed to be part of Confidential Information absolutely confidential, both during the term of this Agreement and after expiration or termination of this Agreement for as long as the item is not generally known in the industry;

(c) Not make unauthorized copies of any Confidential Information disclosed via electronic medium or in written or other tangible form;

(d) Adopt and implement procedures to prevent unauthorized use or disclosure of Confidential Information, including, without limitation, restricting its disclosure to Franchisee's employees; and

(e) Require Franchisee's employees, agents, and any other person or entity that Franchisee reveals Confidential Information to, to sign an agreement relating to confidentiality and/or non-competition in the form specified by Franchisor before revealing any aspect of the Confidential Information to them. Franchisor has the right to be a third party beneficiary of those agreements with independent enforcement rights.

Franchisee acknowledges and agrees that Franchisee will be liable to Franchisor for any use of the Confidential Information not authorized by this Agreement. If Franchisee or its shareholders, officers, directors, partners, members, managers, owners, investors, employees, agents, and Family Members receive notice of any request, demand, or order to transfer or disclose all or any portion of the Confidential Information, Franchisee must immediately notify Franchisor, and must fully cooperate with and assist Franchisor in prohibiting or denying any such transfer or disclosure. If such transfer or disclosure is required by a valid, final, non-appealable court order, Franchisee must fully cooperate with and assist Franchisor in protecting the confidentiality of the Confidential Information to the maximum extent permitted by law.

11.3 Development of New Proprietary or Confidential Information.

All ideas, concepts, techniques, variations, improvements, marketing programs, techniques, materials or other intellectual properties that relate to or enhance the Franchise Business or the Franchise Systems, whether or not protectable intellectual property and whether created by or for Franchisor or by or for Franchisee, must be promptly disclosed to Franchisor and will be Franchisor's sole and exclusive property, part of the Franchise Systems, and works made-for-hire for Franchisor. Franchisee hereby permanently and irrevocably assigns ownership of the intellectual property, and all related rights to it, to Franchisor to the extent that any intellectual property does not qualify as a "work made-for-hire" for Franchisor. Franchisee agrees to take whatever action (including signing an assignment or other documents) that Franchisor requests to evidence Franchisor's ownership in the intellectual property.

11.4 Expiration, Termination or Transfer of this Agreement.

Franchisee agrees that when this Agreement expires, is terminated, or on the transfer of the Franchise Business, Franchisee will immediately cease using any and all of the Confidential Information in any business or otherwise, and return to Franchisor all copies of all Confidential Information that Franchisee has in its possession. Franchisee acknowledges and agrees that it will be liable to Franchisor for any use of the Confidential Information not authorized by this Agreement.

ARTICLE 12 – RESTRICTIONS ON COMPETITION

12.1 Covenant Not to Compete During Term.

Franchisee and its past, present and future shareholders, officers, directors, partners, members, managers, owners and investors, Family Members (defined in Section 12.4) and affiliates of Franchisee must not, during the term of this Agreement: (a) engage in any activity in competition with the Franchisor or its franchisees, including but not limited to involvement, whether as an owner (except ownership of no more than 1% of a publicly traded entity), director, officer, member, manager, employee, consultant, lender, representative or agent, or in any other capacity, or otherwise in any business that is involved, in whole or in part, in a "Competing Business" (defined in Section 12.4), (except other Restaurants operated under franchise agreements entered into between Franchisee and Franchisor), or in any business or entity that franchises, licenses, or otherwise grants to others the right to operate a Competing Business, without the prior written approval of Franchisor.

12.2 Covenant Not to Compete After Term.

On the termination (including termination on transfer), expiration or non-renewal of this Agreement, except termination by Franchisee for cause, Franchisee, its shareholders, officers, members, managers, directors, partners, owners and investors, Family Members and affiliates of Franchisee, must not, for a period of three (3) years commencing on the later of the effective date of termination, expiration or non-renewal, or the date of any Court order enforcing this provision, directly or indirectly, engage in any activity in competition with the Franchisor or its franchisees, including but not limited to involvement, whether as an owner (except ownership of no more than 1% of a publicly traded entity), partner, director, officer, member, manager, employee, consultant, lender, representative or agent, or in any other capacity in any business that is involved, in whole or in part, in a Competing Business or in any business or entity that franchises, licenses or otherwise grants to others the right to operate a Competing Business within any "Geographic Areas" (defined in Section 12.4).

12.3 Other Restrictions.

Franchisee, its shareholders, officers, directors, partners, owners and investors, Family Members and affiliates of Franchisee, must not, during the term of this Agreement and for a period of three years after termination, expiration or non-renewal of this Agreement, directly or indirectly: (a) divert or attempt to divert any business or customer of the Franchise Business or any other Restaurant to any Competing Business by direct or indirect inducements or otherwise; (b) sponsor, appoint or encourage or influence or promote friends, relatives or associates to operate a Competing Business; or (c) employ any person or furnish of permit access to Franchisor's confidential or proprietary information to any person who is engaged or has arranged to become engaged in any activity in competition with Savvy Sliders Restaurants, including but not limited to involvement, either as an owner (except no more than 1% of the publicly traded securities of an entity), partner, director, officer, member, manager, employee, consultant, lender, representative or agent, or in any other capacity, of any business that is involved, in whole or in part, in a Competing Business or in any business or entity that franchises, licenses or otherwise grants to others the right to operate a Competing Business.

12.4 Definition of Competing Business, Geographic Areas, Family Members and Affiliate.

The following definitions will apply to this Agreement:

(a) "Competing Business" means any business that is the same or similar to a Restaurant, including but not limited to a business that sells sliders or other sandwiches for carry-out, dine-in, catering or delivery or other products that may be offered by Restaurants now or in the future.

(b) "Geographic Areas" means: (i) the Franchise Location; (ii) the area within ten (10) miles of the Franchise Location; and (iii) the areas within ten (10) miles of any other Savvy Sliders Restaurant existing or under development at the time Franchisee begins to operate the Competing Business.

(c) "Family Members" means all individuals with any of the following relationships with the Franchisee or any of its shareholders, officers, directors, partners, managers, members, owners or investors and any of their affiliates: (i) spouse; (ii) children; (iii) grandchildren; (iv) stepchildren; (v) parents; (vi) siblings; (vii) spouse's parents; and (viii) spouse's siblings.

12.5 Acknowledgements and Agreements Relating to Restrictions on Competition.

Franchisee acknowledges and agrees that the length of the post-term restrictions and the geographical restrictions contained in this Article are fair and reasonable. The parties have attempted to limit Franchisee's right to compete only to the extent necessary to protect the reasonable competitive business interests of Franchisor and its franchisees. If the above restrictions or any part of these restrictions are invalid, this Article will be considered as imposing the maximum restrictions allowed under the applicable state law in place of the invalid restriction or part of the restriction. In addition, Franchisor reserves the right to reduce the scope of these provisions without Franchisee's consent, at any time, effective immediately on notice to Franchisee.

If Franchisee is not an individual, the owners of Franchisee (stockholders, partners, members, etc.) will be bound by this Article 12 and must, contemporaneously with signing this Agreement, sign the Obligations and Representations of Individuals Involved in the Franchise Business attached as Appendix B to this Agreement. Franchisee and its owners must also execute a separate Confidentiality and Nondisclosure Agreement and Covenant Not to Compete in a form specified by Franchisor.

ARTICLE 13 - TRANSFERABILITY

13.1 General Rule.

This Agreement is personal to Franchisee or to the owners of Franchisee if Franchisee is a corporation, partnership, limited liability company or other entity. Accordingly, neither Franchisee nor any person owning any direct or indirect ownership or equity interest in Franchisee, may, without Franchisor's prior written consent, directly or indirectly or contingently, whether

voluntarily or by operation of law, sell, assign, transfer, convey, give away, pledge, mortgage or otherwise encumber any interest in: (a) this Agreement; (b) the Franchise Business or any of the assets of the Franchise Business; (c) the Franchise Location; or (d) or any equity or voting interest in Franchisee. Any such act or event described above in this Section or any other act defined as a transfer elsewhere in this Agreement will be referred to as a “Transfer.” Any permitted Transfer must only be made in accordance with the provisions of this Article 13. Franchisee does not have the right to sublicense any of the rights granted by this Agreement. Any attempted Transfer not in accordance with this Agreement will have no effect and will constitute a breach of this Agreement.

13.2 Notice of Proposed Transfer; Right of First Refusal.

Franchisee or any person owning an interest in Franchisee or any legal heir or devisee of any deceased Franchisee or person owning an interest in Franchisee (“Seller”) who receives and desires to accept a bona fide offer from a third party to engage in a Transfer, must notify Franchisor in writing of such offer (“Offer Notice”) within ten days of receipt of the offer. The Offer Notice must describe the proposed Transfer in detail, including the name and address of the proposed purchaser, the nature of the Transfer, the consideration to be paid and all other material terms and conditions of the Transfer. In addition to the Offer Notice, the Seller must also deliver copies of all documents to be executed in conjunction with the Transfer and any financial or other information as Franchisor may specify to reasonably inform Franchisor of the financial condition of the Franchise Business, including but not limited to financial statements and tax returns of the Franchise Business.

Franchisor will have, for a period of thirty (30) days from the date of delivery of the information specified above, the right and option (“right of first refusal”), exercisable by written notice to the Seller, to purchase the Seller’s interest on the terms specified in the Offer Notice (modified as described below). Franchisor may designate a substitute purchaser to complete the Transfer. If the Transfer involves the purchase of stock or other ownership interests, Franchisor will have the option to purchase the assets of the Franchise Business instead for equivalent consideration. If the consideration, terms or conditions offered by the proposed purchaser are such that Franchisor may not reasonably be required to furnish the same, for example, if the consideration is not cash or cash equivalents, Franchisor may pay a reasonable equivalent in cash. If the Seller and Franchisor are not able to agree within a reasonable time on equivalent or substitute cash consideration, Franchisor may appoint an independent appraiser, whose determination will be binding on Seller and Franchisor.

If Franchisor exercises its right of first refusal, the Transfer between Franchisor and Seller will be closed by the later of: (a) ninety (90) days after exercise of the right of first refusal; or (b) thirty (30) days after any necessary determinations of equivalent or substitute cash consideration. Franchisor will be entitled to customary warranties, closing documents and post closing indemnification.

If Franchisor does not exercise its right of first refusal and Franchisor consents to the proposed Transfer (subject to the conditions set forth in Section 13.3 below), the Seller may complete the proposed Transfer, but only on the same terms as offered to Franchisor. However, the proposed Transfer must be completed within sixty (60) days after the expiration of Franchisor’s thirty-day option period. If the Transfer is not completed within the sixty-day period, the

Transfer will again become subject to Franchisor's right of first refusal as set forth in this Section.

13.3 Conditions of Franchisor's Consent to Transfer.

If Franchisor does not exercise its right of first refusal under Section 13.2, Franchisee may only engage in the proposed Transfer if Franchisor consents to the proposed Transfer. Before Franchisor consents to a proposed Transfer, the conditions listed below, as well as any other reasonable conditions specified by Franchisor, must be fulfilled. If these conditions are met, Franchisor will not unreasonably withhold its consent to a proposed Transfer of the type permitted by this Agreement.

Before Franchisor consents to a proposed Transfer, the following conditions must be fulfilled:

(a) The proposed transferee must follow the same application procedures as a new Franchisee and must meet the same standards of character, business experience, financial strength, credit standing, health, reputation, business ability, experience, etc. as Franchisor has set for any new Franchisee.

(b) The terms of the proposed Transfer must not place unreasonable burdens on the proposed transferee.

(c) Franchisee must be in full compliance with all provisions of this Agreement and must pay Franchisor and all suppliers of the Franchise Business all monies owing.

(d) Franchisee must sign at the time of Transfer an agreement terminating this Agreement (unless this Agreement will be assigned to the transferee --see subsection (f) below) and must sign an agreement, in the form specified by Franchisor, releasing Franchisor and its affiliates, owners, officers, directors, employees and agents from any and all claims and causes of action.

(e) The proposed transferee must satisfactorily complete Franchisor's initial training program. Franchisor may impose a reasonable charge for this training program.

(f) The proposed transferee must, at Franchisor's option: (i) sign with Franchisor a Franchise Agreement and related agreements on the standard forms in use by Franchisor at the time of Transfer, which agreements would have a term equal to the term remaining under this Agreement and may contain terms materially different than the terms of this Agreement, including different royalty and advertising payments; or (ii) sign, with Franchisee, an assignment and assumption satisfactory to Franchisor, whereby the proposed transferee would be entitled to all of Franchisee's rights under this Agreement and assume all of Franchisee's obligations under this Agreement. The owners of the proposed transferee must agree to be personally bound, jointly and severally, by all of the provisions of this Agreement.

(g) The proposed transferee must pay Franchisor a transfer fee in an amount equal to fifty percent (50%) of the initial franchise fee being charged by Franchisor to new franchisees at the time of the transfer, which would be due at the time of execution of a consent by Franchisor to the proposed Transfer. This fee is not refundable.

(h) The proposed transferee must agree that, within ninety (90) days of the transfer, it will take any action specified by Franchisor to make the Franchise Business comply with current appearance, equipment and signage requirements.

(i) The proposed transferee and its owners, shareholders, officers, directors, partners, members, investors, employees and agents and their Family Members and affiliates of Franchisee must not be an owner, shareholder, officer, director, partner, member, investor, employee, agent or consultant of or to a business that competes with Savvy Sliders Restaurants. On Franchisor's request, the transferee may be required to sign an acknowledgement of compliance with this prohibition.

(j) If the transfer involves installment payments by the transferee to the seller, the seller must sign a subordination agreement under which the seller subordinates its right to receive any installment from the transferee to Franchisor's right to receive any and all amounts due it from Franchisee under this Agreement through the due date of the installment. The subordination agreement must be in a format and contain such additional terms and conditions as may be specified by Franchisor.

(k) Franchisee's landlord allows the lease for the Franchise Location to be transferred to the transferee.

(l) Franchisee and the proposed transferee must comply with any other standard procedures specified by Franchisor.

Franchisee acknowledges that the conditions listed above are necessary for protection of the Franchise Marks and Franchise Systems and do not impose unreasonable restrictions on a Transfer.

13.4 Transfer on Death or Incapacity.

If Franchisee or the last surviving owner of Franchisee (if Franchisee is a corporation, partnership, limited liability company or other entity) dies or becomes incapacitated, Franchisee's or its owner's rights under this Agreement will pass to the estate, heirs, devisees or legal representatives of Franchisee or its owner (collectively referred to in this Agreement as the "estate"). The estate may continue operation of the Franchise Business if: (a) the Franchise Business is not closed for more than seven (7) business days and is thereafter operated in accordance with applicable law; (b) the estate provides a qualified individual acceptable to Franchisor to manage and operate the Franchise Business on a full time basis; (c) the manager attends and successfully completes Franchisor's training program at the estate's expense; and (d) the manager assumes full time operation of the Franchise Business within ninety (90) days of the date Franchisee or Designated Owner dies or becomes incapacitated. If the estate fails to designate an acceptable manager or the designated manager fails to attend and satisfactorily complete the training program and to assume the full time operation of the Franchise Business within ninety (90) days of the death

or incapacity, then the estate must sell the estate's interest in the Franchise Business or in this Agreement within one-hundred eighty (180) days of the date of death or incapacity. Any sale is subject to Franchisor's right of first refusal under Section 13.2 and subject to Franchisor's consent under Section 13.3

After the date of death or incapacity, until a trained manager assumes full time operational control of the Franchise Business or until the estate's interest in the Franchise Business or in this Agreement is sold, Franchisor may, at its option, assume control of and operate the Franchise Business. During any period that Franchisor operates the Franchise Business, Franchisor may deduct its expenses for payroll, travel, lodging, meals and all other expenses and fees from the Franchise Business's Gross Revenues. Any remaining Gross Revenues of the Franchise Business, after paying all other operational expenses of the Franchise Business will be paid to the estate. Any deficiency in amounts due to Franchisor under this Section or any deficiencies from operation of the Franchise Business must be paid by the estate within ten (10) days of a notice of deficiency from Franchisor. Franchisor is not obligated to operate the Franchise Business. If Franchisor does operate the Franchise Business, Franchisor will not be responsible for any operational losses of the Franchise Business, nor will Franchisor be obligated to continue operation of the Franchise Business. Franchisee hereby irrevocably appoints and designates Franchisor as Franchisee's attorney-in-fact for the purpose of taking operational control of the Franchise Business as provided in this paragraph. This power of attorney will apply to all aspects of operation of the Franchise Business, including, without limitation, control over Franchisee's bank accounts and the premises and assets of the Franchise Business. Franchisee agrees and directs that third parties, including, without limitation, landlords, banks, vendors and employees may rely on this power of attorney.

13.5 Transfers to Controlled Entities.

If Franchisee is in full compliance with this Agreement, the Agreement may be assigned to a corporation, partnership or other entity in which Franchisee owns and will continue to own all the issued and outstanding stock, partnership interest, or other ownership interests and in which Franchisee will act as its principal executive officer or manager ("Controlled Entity"), provided that:

- (a) All owners of the Controlled Entity execute this Agreement and agree to be personally bound, jointly and severally, by all of the provisions of this Agreement;
- (b) The Controlled Entity agrees to be bound by all the provisions of this Agreement and to assume and discharge all of Franchisee's obligations under this Agreement; and
- (c) The Controlled Entity will have no right to engage in a Transfer except in accordance with the provisions of Article 13 of this Agreement.

13.6 Assignment by Franchisor.

This Agreement is fully assignable by Franchisor and will inure to the benefit of any assignee or other legal successor to the interests of Franchisor. Franchisor may sell, assign, discount or otherwise transfer any rights under this Agreement or any other assets of Franchisor or its owners, without notice to or approval of Franchisee or any other Franchisee, at any time. However,

Franchisor will remain liable for the performance of its obligations under this Agreement or will make provision for the performance of those obligations by the assignee, to the extent required by applicable law.

ARTICLE 14 – DEFAULT AND REMEDIES; TERMINATION

14.1 Default by Franchisor; Termination by Franchisee.

Franchisor will be considered in default of this Agreement if Franchisor breaches any material obligations of Franchisor under this Agreement and fails to cure that default within sixty (60) days of written notice from Franchisee. As a remedy for a default by Franchisor, Franchisee may elect to terminate this Agreement, but only if: (a) Franchisee is in full compliance with all terms of this Agreement; (b) Franchisee provides written notice to Franchisor by certified mail, return receipt requested, specifying the default by Franchisor and the proposed date of termination; and (c) Franchisor has committed the default and has not cured the default within sixty (60) days of written notice from Franchisee of the default. Written notice from Franchisee of the default must specify in writing with particularity the nature of the default and the steps Franchisee requests that Franchisor take to cure the default. Franchisor will have not less than sixty (60) days to cure the default. Failure of Franchisee to comply with the provisions of this Section will result in any attempt to terminate being deemed null and void and without legal effect.

14.2 Default by Franchisee.

Franchisee will be considered in default of this Agreement on the occurrence of any of the events listed in Sections 14.3 or 14.4 below or otherwise listed as a default in this Agreement or if Franchisee breaches any other obligation of Franchisee under this Agreement.

14.3 Events of Default by Franchisee; No Right to Cure.

Any of the following events will constitute a default by Franchisee and good cause for termination of this Agreement by Franchisor without affording Franchisee an opportunity to cure.

- (a) Any material misrepresentation or dishonesty by Franchisee.
- (b) The perpetration by Franchisee of common law fraud against Franchisor or any of its customers, suppliers, agents or affiliates.
- (c) Failure to have employees and agents sign an agreement relating to confidentiality and/or non-competition in the form specified by Franchisor as a condition of employment of the employee or agent.
- (d) Franchisee or a Designated Owner is convicted of, or pleads guilty or no contest to or if Franchisor has reasonable proof that Franchisee or a Designated Owner has committed: (i) a crime, offense or misconduct for which the minimum penalty includes imprisonment for more than one (1) year; or (ii) any crime, offense or misconduct for which the minimum penalty includes imprisonment for one (1) year or less that involves fraud or dishonesty or is in any other way relevant to the operation of the Franchise Business or to the Franchise Systems or Franchise Marks or the goodwill associated therewith.

(e) Franchisee has received two (2) or more prior notices of default and/or to terminate for the same or a similar default during any consecutive twelve (12) month period.

(f) Franchisee has received three (3) or more prior notices of default and/or to terminate, whether or not for the same or similar default, during any consecutive twelve (12) month period.

(g) Franchisee has failed to attend two (2) or more mandatory meetings within any consecutive twelve (12) month period.

(h) Any abandonment by Franchisee of the Franchise Business. Abandonment will be conclusively presumed if Franchisee fails to open the Franchise Business for business: (i) for a period of two (2) consecutive business days without the prior written consent of Franchisor; or (ii) fails to open the Franchise Business for business for a total of five (5) business days within a calendar year.

(i) Intoxication, illegal drug use or other substance abuse by Franchisee or a Designated Owner that interferes with the operation of the Franchise Business.

(j) Any conduct by Franchisee that reflects materially and adversely on the operation or reputation of the Marks or Systems.

(k) Franchisee has its lease terminated or mortgage foreclosed by reason of its failure to pay rent or mortgage payments or for any other cause for which Franchisee is responsible.

(l) Franchisee loses the right to occupy the Franchise Location and fails to: (i) begin to immediately to look for a substitute site; or (ii) locate a substitute site approved by Franchisor and to begin operating the Franchise Business from that substitute site within ninety (90) days.

(m) Franchisee is assessed liquidated damages under Section 14.8 three (3) or more times in a calendar year.

14.4 Events of Default by Franchisee; Right to Cure.

Any of the following events will constitute a default by Franchisee and good cause for termination of this Agreement by Franchisor if the Franchisee fails to cure the default during the applicable cure period specified in Section 14.5 below.

(a) Franchisee fails to enter into a lease or sublease for a Franchise Location as required by this Agreement.

(b) Franchisor determines that Franchisee can not, will not or has not completed Franchisor's pre-opening training programs to the satisfaction of Franchisor, or fails to

demonstrate the qualities and abilities that Franchisor deems necessary for the successful operation of the Franchise Business.

(c) Franchisee is unable to obtain, without extraordinary administrative proceedings or litigation, any permit or license necessary to develop and open the Franchise Business.

(d) A substantial number of complaints from customers relating to products or services provided by Franchisee or the acts or omissions of Franchisee.

(e) Franchisee operates the Franchise Business in a manner that presents a health or safety hazard to its customers, employees, or the public.

(f) Franchisee is unable to pay its debts or obligations as they become due or files a voluntary petition in bankruptcy or is adjudicated bankrupt or insolvent or makes an assignment for the benefit of creditors.

(g) Franchisee files any petition or other pleading seeking any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under any statute, law or regulation, or admitting or failure to contest the material allegations of a petition or other pleading filed against the Franchisee in any such proceeding.

(h) Franchisee seeks, consents to or acquiesces in the appointment of any trustee, receiver or liquidator of its business, or all or a substantial part of its assets, or fails to vacate the appointment of any trustee, receiver or liquidator for any such purpose within 30 days of such appointment.

(i) Franchisee permits the continuance for more than thirty (30) days of any proceeding against the Franchisee seeking any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under any statute, law or regulation.

(j) Franchisee fails, within thirty (30) days of the entry of a final judgment against the Franchisee in any amount exceeding Five Thousand Dollars (\$5,000), to discharge, vacate or reverse such judgment or to stay execution on the judgment pending appeal or to discharge any such judgment that is not vacated or reversed within thirty (30) days after the expiration of such stay of execution.

(k) Franchisee allows a levy of execution to be made on the Franchise Business.

(l) Franchisee fails to meet the Minimum Performance Requirement for two (2) consecutive calendar years as described in Section 8.3 of this Agreement.

(m) Failure of Franchisee to promptly pay its obligations to Franchisor, an affiliate of Franchisor or third party suppliers as they become due, or the occurrence of any other default under a lease or finance agreement for the real or personal property involved in the Franchise Business.

(n) Failure of Franchisee to operate in accordance with the uniform standards of Franchisor, failure of Franchisee to meet current quality control standards according to the provisions of the Operations Manual or failure to permit quality control checks and inspections by Franchisor's representatives.

(o) Failure of Franchisee to purchase products and services for use in the Franchise Business from suppliers designated by Franchisor.

(p) If Franchisee is an entity other than a natural person, any dispute, disagreement or controversy between or among the stockholders, members, partners, directors, officers or managers of Franchisee, which materially and adversely affects the ownership, operation, management or business of the Franchise Business.

(q) Any other material breach by Franchisee or any of the owners of Franchisee or any corporation, partnership, limited liability company or other entity controlling, controlled by or under common control with Franchisee or any of the owners of Franchisee, of any of the terms of this Agreement or any other agreement entered into with Franchisor or its affiliates, including, but not limited to, breach of covenants of confidentiality, restrictions on competition or personal guaranties.

(r) The cancellation of any guaranty of the obligations of this Agreement by the owners of Franchisee.

14.5 Termination by Franchisor.

Franchisor has the right to terminate this Agreement before its expiration only for good cause and only in accordance with the requirements of this Section. Good cause for termination of this Agreement by Franchisor includes any default of Franchisee as defined in this Article 14 or elsewhere in this Agreement.

(a) On the happening of any of the events specified in Section 14.3, Franchisor may, at Franchisor's option, terminate this Agreement effective on delivery of written notice to Franchisee without affording Franchisee an opportunity to cure (except as may be required by applicable law).

(b) On the happening of any of the events specified in Section 14.4 or elsewhere in this Agreement or for any other good cause, Franchisor may, at its option, terminate this Agreement effective on written notice to Franchisee and Franchisee's failure to cure the defaults during the applicable cure period. Written notice of termination from Franchisor must specify any defaults under this Agreement or other reasons for termination and the date the termination will be effective. The effective date of termination must be: (i) at least ten (10) days from the date of notice for defaults described in Sections 14.4(m), (n) and (o); and (ii) at least thirty (30) days from the date of notice in all other instances. Termination will be automatically effective without further action by Franchisor on the date specified in the notice as the effective date of termination unless Franchisee completely cures, before the

date specified in the notice as the effective date of termination, all the defaults or other reasons for termination specified by Franchisor in the notice.

14.6 Bankruptcy Provisions.

If termination of this Agreement by Franchisor or expiration of this Agreement is precluded by operation of the bankruptcy laws, then Franchisor may terminate this Agreement unless Franchisee: (a) immediately and fully compensates Franchisor for any such breach or provides Franchisor with adequate assurances of prompt and full compensation for the breach; and (b) provides Franchisor with adequate assurance of future performance under this Agreement. For purposes of this Section: (i) full compensation must include full payment of any losses suffered by Franchisor due to Franchisee's actions or inaction; (ii) adequate assurance of prompt and full compensation must include, at a minimum, immediate presentation to Franchisor by Franchisee of an irrevocable letter of credit in an amount sufficient for full compensation of Franchisor, issued to the account of Franchisee by a commercial bank, payable to Franchisor, at sight, within thirty (30) days from the date of issuance, on presentation of an affidavit signed by Franchisor stating that Franchisor is entitled to payment pursuant to this Agreement; and (iii) adequate assurances of future performance must include immediate presentation to Franchisor by Franchisee of an irrevocable letter of credit (or a series of such letters of credit covering all the periods during which such payment may be demanded) in an amount sufficient to make full payment to Franchisor of royalties, advertising payments and payments for products and services provided by Franchisor that will be due under this Agreement.

14.7 Right to Withhold Products and Support Services on Certain Defaults by Franchisee.

If Franchisee commits any of the defaults listed below, Franchisor will have the right to refuse to sell products to Franchisee and to cause designated suppliers to refuse to sell products to Franchisee and to withhold support services from Franchisee. The defaults giving rise to this remedy include: (a) a payment due to Franchisor from Franchisee is more than thirty (30) days past due; (b) Franchisee owes Franchisor of any of its designated suppliers Five Thousand Dollars (\$5,000) or more in past due payments; or (c) any other default under this Agreement that has not been cured within thirty (30) days of written notice. Franchisor's actions as authorized in this Section may continue until Franchisee has cured its defaults and will not suspend or release Franchisee from any obligation that Franchisee owed to Franchisor or its affiliates under this Agreement or otherwise. The remedies set forth in this Section will not be the sole remedies of Franchisor for such defaults and Franchisor may exercise any other remedies, including but not limited to, termination of this Agreement.

14.8 Franchisor's Right to Charge Liquidated Damages for Certain Violations.

Franchisee agrees that Franchisor may require Franchisee to pay liquidated damages as a remedy for Franchisee's failure to comply with certain contractual obligations and/or operational standards or procedures specified by Franchisor. The liquidated damages amounts and the violations to which they apply will be specified by the Franchisor in the Operations Manual, as may be amended from time to time. The liquidated damages are intended to cover Franchisor's damages suffered as a result of Franchisee's violations. Those damages include Franchisor's additional administrative expenses and damages arising from loss of uniformity, quality,

reputation or good will in the Franchise Systems. Franchisee agrees that the imposition of the liquidated damages is reasonable. Franchisee acknowledges and agrees that the actual damages that would be sustained by Franchisor for the designated violations are incapable of calculation at the time of execution of this Agreement and that the liquidated damages amounts specified by Franchisor are a reasonable estimation of those damages.

The liquidated damages imposed by Franchisor will be due and must be paid, in the manner specified in Section 4.10 of this Agreement, within ten (10) days of written notice from Franchisor of the imposition of the liquidated damages.

Franchisor may, in its discretion, publish Franchisee's name or the name of any other franchisee against whom liquidated damages are assessed, including in the publication the reason the liquidated damages were assessed and the amount of the liquidated damages assessment.

14.9 Alternative Remedies.

In addition to Franchisor's right to terminate this Agreement, and not in lieu of that right, or any other rights Franchisor may have against Franchisee, on a failure to cure any default within the applicable time period (if any):

(a) Sale of Franchise Business. On written notice to Franchisee, Franchisor may require Franchisee to: (a) engage a business broker acceptable to Franchisor to list and actively pursue the sale of the Franchise Business to a third party who will operate the Franchise Business as a Savvy Sliders franchise; and (b) within one hundred twenty (120) days of the written notice, sell the Franchise Business to a third party that has been approved by Franchisor in accordance with the transfer procedures specified in Article 13 of this Agreement. If the Franchise Business is not sold within the 120-day period, Franchisor or a person designated by Franchisor will have the right to exclusively market the Franchise Business for sale for the next one hundred twenty (120) days. If requested by Franchisor, Franchisee will sign a listing agreement in a form specified by Franchisor to grant Franchisor or the person designated by Franchisor the exclusive right to market the Franchise Business for the 120-day period. Franchisee agrees that the listing price for the Franchise Business will be determined based on the sales price of other Restaurants.

(b) Step In Rights. Franchisor has the right, but not the obligation, to enter the Franchise Location and exercise complete authority with respect to the operation of the Franchise Business until the sooner of: (1) ninety (90) days after taking operational control; or (2) until such time as Franchisor determines, in Franchisor's sole discretion, that the default has been cured and Franchisee is otherwise in compliance with this Agreement. The ninety-day period may be renewed in ninety (90) day increments for up to a total of 1 year as necessary. Franchisor will periodically discuss the status of the operational control with Franchisee. If Franchisor exercises the rights described in this Section, Franchisee must reimburse Franchisor for all reasonable costs and overhead, if any, incurred in connection with its operation of the Franchise Business including, without limitations, costs of personnel for supervising and staffing the Franchise Business and their travel and lodging accommodations. If Franchisor undertakes to operate the Franchise Business under this Section, Franchisee agrees to indemnify and hold

Franchisor (and Franchisor's representative(s) and employees) harmless from and against any fines, claims, suits or proceedings which may arise out of Franchisor's operation of the Franchise Business.

14.10 Other Remedies.

The exercise of any remedy by Franchisor as described in this Article 14 or elsewhere in this Agreement and/or enforcement of the provisions of Article 15 on termination or expiration of this Agreement will not affect or prejudice any other rights or remedies of Franchisor for breach of this Agreement by Franchisee whether those rights and remedies are contained in this Agreement or otherwise provided by law or equity. Franchisor's other rights and remedies may include, but are not limited to, an action for specific enforcement of this Agreement or other injunctive relief or an action for damages caused by the breach.

ARTICLE 15 - EFFECT OF TERMINATION OR EXPIRATION

15.1 Obligations of Franchisee.

On expiration or termination of this Agreement for any reason (including termination on a transfer), Franchisee's rights to use the Franchise Marks and the Franchise Systems and all other rights associated with being an authorized franchisee of Franchisor will cease and Franchisee must do the following:

(a) Franchisee must immediately and permanently discontinue the use of the Franchise Marks, the Franchise Systems or any marks or names or logos confusingly similar to the Franchise Marks, or any other materials that may, in any way, indicate that Franchisee is or was a franchisee of Franchisor, or in any way associated with Franchisor.

(b) Franchisee must immediately discontinue all advertising placed or ordered. Franchisee must remove and deliver to Franchisor (or destroy if directed or approved by Franchisor) all sign faces, advertising and promotional material, stationery, letterhead, forms and any other items bearing the Franchise Marks. Franchisee must bear the cost of sign and other identification removal and the cost of shipping signs and other materials to Franchisor. If Franchisee remains in possession of the Franchise Location, Franchisee must alter the premises to distinguish the premises from the appearance of a Restaurant.

(c) Franchisee must remove and return to Franchisor software and other products and equipment that are considered by Franchisor to be proprietary because they are owned by or have been developed or modified specifically for Franchisor. These items currently include: the POS System software; mixer; ovens; smoker; and preparation table. Franchisee must bear the cost of removing and returning these items to Franchisor.

(d) Franchisee must cease using the Operations Manual and all proprietary business information provided by Franchisor and must return to Franchisor all copies of the Operations Manual and other bulletins or other materials received from Franchisor containing information about the Franchise Business.

(e) Franchisee must immediately and permanently cease to use all telephone and fax numbers, email addresses, website addresses, domain names and other comparable electronic identifiers that have been used in the Franchise Business and if requested by Franchisor, must assign all such telephone and fax numbers, email addresses, website addresses, domain names and other comparable electronic identifiers to Franchisor. Franchisee acknowledges that as between Franchisor and Franchisee, Franchisor has the sole rights to all telephone and fax numbers, email addresses, website addresses, domain names and other comparable electronic identifiers used in the Franchise Business and all written and online directory listings associated with the Restaurant and Franchisee authorizes Franchisor, and appoints Franchisor and any officer of Franchisor as its attorney-in-fact, to direct the applicable service providers and all listing agencies to transfer those items to Franchisor or its agent or assignee if Franchisee fails or refuses to do so. The applicable service providers and all listing agencies may accept the direction in this Agreement as conclusive evidence of the exclusive rights of Franchisor in such telephone and fax numbers, email addresses, website addresses, domain names, other comparable electronic identifiers and directory listings and its authority to direct their transfer.

(f) Franchisee must cease using any business name containing any of the Franchise Marks and must file an abandonment or discontinuance of the name with the appropriate local, county or state agency.

(g) Franchisee must immediately pay all sums and debts owing to Franchisor and its subsidiaries and affiliates, whether such sums and debts owing to Franchisor and its subsidiaries and affiliates are evidenced by promissory note, invoice, bill or other writing, and notwithstanding the fact that such sums and debts may not at that time be fully due and payable, such debts being accelerated automatically without further notice to Franchisee.

(h) Franchisee must sell to Franchisor all or part of Franchisee's inventory or products on hand as of the date of termination or expiration that are uniquely identified with Franchisor, if any, as Franchisor may request in writing before or within 30 days after the date of termination or expiration. The sales price will be the current published prices then being charged by the manufacturer or supplier to authorized franchisees of Franchisor, not including any costs of storage or transportation paid by Franchisee to bring the goods initially to the Franchise Business, minus all costs incurred or to be incurred by Franchisor to restore the goods or the packaging of the goods to a saleable condition and minus a reasonable allowance for physical deterioration, obsolescence or damage to the extent not restored.

15.2 Termination of Lease; Option to Assume Lease.

On expiration or termination of this Agreement, Franchisor may terminate any lease or sublease entered into with Franchisee for the Franchise Location.

If this Agreement terminates or expires for any reason, other than a termination by Franchisee for cause, Franchisor will have the right to assume Franchisee's lease for the Franchise Location. If Franchisor exercises this right: (a) Franchisee must cooperate fully and use its best efforts to acquire the landlord's approval of the assignment of the lease to Franchisor, if necessary;

and (b) if the lease cannot be assigned to Franchisor, Franchisee will agree to sublease the Franchise Location to Franchisor on all the same terms and conditions as are contained in Franchisee's lease and will cooperate fully and use its best efforts to acquire the landlord's approval of the sublease, if necessary. If Franchisor exercises this right and the assignment is approved by the landlord or the landlord's approval is not necessary, Franchisor must assume and hold Franchisee harmless from all liability under the lease arising after the assumption by Franchisor. If the Franchise Location is owned by Franchisee and this Agreement terminates or expires for any reason other than a termination by Franchisee for cause, Franchisor will have the option to lease the Franchise Location on substantially the same terms and conditions contained in Franchisee's lease for the Franchise Location, or, if no lease exists, then on terms and conditions that are commercially reasonable. The options granted in this Section must be exercised by Franchisor within ninety (90) days of the date of expiration or termination of this Agreement.

15.3 Option to Purchase Assets.

If this Agreement expires or terminates for any reason, Franchisor will have the option, but not the obligation to purchase the assets of the Franchise Business (including any liquor license, if applicable). The purchase price will be the fair value of the assets as agreed by the parties or in the absence of an agreement, as determined by an independent qualified appraiser selected by Franchisor and Franchisee. If Franchisor and Franchisee cannot agree on an independent appraiser, each will select an independent appraiser qualified or certified to make the appraisal. The independent appraisers chosen will then select a third independent appraiser. The third independent appraiser will determine the fair value of the assets and his or her determination will be binding on the parties. The purchase price will be reduced by any current and long-term liabilities of the Franchise Business that Franchisor agrees to assume and any amounts owed to Franchisor by Franchisee. The purchase price will be payable by Franchisor as follows: (a) twenty-five percent (25%) of the net purchase price will be paid at closing; and (b) the balance of the net purchase price will be paid in equal monthly installments of principal and interest over a period of thirty-six (36) months. The interest for the payments will be the prime rate charged by Franchisor's bank at the time of the closing. Franchisor must exercise the option granted in this Section within forty-five (45) days following the determination of a price for the assets. Closing of the sale must take place within forty-five (45) days after Franchisor exercises its option to purchase the assets or a later date, if agreed to by the parties, as necessary to comply with applicable bulk sales or other similar laws. At closing, Franchisor and Franchisee agree to sign and deliver all documents necessary to: (i) vest title in the assets purchased by Franchisor free and clear of all liens and encumbrances, except any assumed by Franchisor; (ii) evidence Franchisor's obligations to make installment payments; and (iii) to effectuate assignment of the lease for the Franchise Location, if applicable. Franchisee must cooperate fully and use its best efforts to acquire the landlord's approval of the assignment of the lease for the Franchise Location to Franchisor, if necessary. If the lease for the Franchise Location cannot be assigned to Franchisor, Franchisee will agree to sublease the Franchise Location to Franchisor on all the same terms and conditions as are contained in Franchisee's lease and will cooperate fully and use its best efforts to acquire the landlord's approval of the sublease, if necessary. Franchisor reserves the right to assign its option to purchase the Franchise Business or designate a substitute purchaser of the Franchise Business.

15.4 Surviving Obligations.

Termination or expiration of this Agreement will not affect Franchisee's obligations or liability to Franchisor for amounts owed to Franchisor under this Agreement or for Franchisor's damages attributable to the loss of bargain resulting from termination of this Agreement before its expiration (as set forth in Section 15.5). Also, termination of this Agreement will not affect Franchisee's obligations under Article 6 relating to the Franchise Marks, Section 8.13 relating to indemnification, Article 11 relating to confidentiality, Article 12 relating to restrictions on competition, Section 15.3 relating to Franchisor's option to purchase the Franchise Business, Article 16 relating to dispute resolution and other obligations in this Agreement or any other agreements between the parties, which, by their terms or intent, survive termination or expiration of this Agreement.

15.5 Damages for Loss of Bargain.

In addition to any other remedies available to Franchisor, if this Agreement is terminated before its expiration (other than termination by Franchisee for cause), Franchisor will be entitled to recover from Franchisee damages attributable to the loss of bargain resulting from that termination. The parties stipulate and agree that the damages for Franchisor's loss of bargain will be the present value of the income Franchisor and its affiliates would have received over a period of time equal to the lesser of: (i) the balance of the term of this Agreement if this Agreement had not been terminated; or (ii) thirty-six (36) months. For purposes of this provision, the income Franchisor and its affiliates would have received will include royalty payable to the Franchisor and the net income Franchisor and its affiliates would have received in connection with the sale of products and services to Franchisee. The net income Franchisor and its affiliates would have received in connection with the sale of products and services to Franchisee will be calculated by taking the net income of Franchisor and its affiliates for the twelve (12) month period ending on the date that Franchisee ceased to operate as a Savvy Sliders franchisee and multiplying that amount by the applicable time period.

The parties acknowledge and agree that the actual loss of bargain damages that would be sustained by Franchisor if this Agreement is terminated before its expiration are incapable of calculation at the time of execution of this Agreement. The parties further acknowledge and agree that the damages set forth in this Section are a reasonable estimation of those damages. If the damages for loss of bargain payable under this Section are found to be invalid or unenforceable because they are found to be either a penalty or not a reasonable estimation of actual damages, the amount of the damages will be automatically amended to the extent necessary to be found valid and enforceable.

The damages for loss of bargain described in this Section cover only Franchisor's damages from the loss of revenue as a result of Franchisor being unable to operate, or to allow a third party to operate, a Savvy Sliders Restaurant at the Franchise Location. Franchisee and each of its owners agree that these damages do not cover any other remedies or damages to which Franchisor may be entitled as a result of Franchisee's actions or inactions (including but not limited to injunctive relief to enforce trademark violations and restrictions on competition) and do not give Franchisor an adequate remedy at law for any default under, or for the enforcement of, any other provision of this Agreement.

ARTICLE 16 – NEGOTIATION; LAW AND JURISDICTION; INJUNCTIVE RELIEF; COSTS OF ENFORCEMENT; JURY WAIVER; LIMITATIONS OF CLAIMS

16.1 Negotiation.

Except for actions described in Section 16.2, the parties will try to resolve all disputes by having a Designated Owner negotiate with an executive officer of Franchisor to resolve the dispute, including at least one face-to-face meeting. The parties agree to conduct these negotiations in good faith and to use their best efforts to resolve any such disputes. If the parties have not resolved the dispute within ten (10) days after beginning these negotiations, then either party may take action to enforce its rights.

16.2 Disputes Not Subject to Negotiation.

The following controversies, disputes and claims between the parties referred to in Section 16.1 will not be subject to negotiation: (a) any dispute involving the Franchise Marks; (b) any dispute involving termination of this Agreement by the Franchisor under Article 14; (c) any dispute involving enforcement of the restrictions on competition set forth in Article 12 of this Agreement; and (d) any judicial proceeding in equity seeking temporary restraining orders, preliminary injunctions or other interlocutory relief.

16.3 Applicable Law.

This Agreement takes effect on its acceptance and execution by Franchisor in Michigan. Except for the applicability of the U.S. Trademark Law or other applicable federal law, all controversies, disputes or claims arising from or related to: (a) this Agreement or any other agreement between Franchisee (or Franchisee's owners) and Franchisor; (b) Franchisor's relationship with Franchisee; (c) the validity of this Agreement or any other agreement between Franchisee (or Franchisee's owners) and Franchisor; or (d) any standard under the Franchise Systems and/or Operations Manual; will be interpreted and construed under the laws of Michigan. In the event of any conflict of law, the laws of Michigan will prevail, without regard to the application of Michigan conflict-of-law rules. If, however, any provision of this Agreement would not be enforceable under the laws of Michigan, and if Franchisee's business is located outside of Michigan and such provision would be enforceable under the laws of the state in which Franchisee's business is located, then such provision will be interpreted and construed under the laws of that state. Notwithstanding the foregoing, this Agreement will not be subject to any franchise or similar law, rule, or regulation of the State of Michigan unless the jurisdictional requirements of that law are met independently without reference to this Section.

16.4 Jurisdiction and Venue.

Any action brought by Franchisee (or Franchisee's owners) against Franchisor or Franchisor's affiliates or their respective owners, officers, directors, managers, agents or employees, must be brought exclusively, and any action brought by Franchisor against Franchisee (or Franchisee's owners) may be brought, in the federal district court covering the location at which Franchisor has its principal place of business at the time the action is commenced; provided, however, that if the federal court would not have subject matter jurisdiction had the action been commenced in such court, then, in such event, the action must

(with respect to actions commenced by Franchisee), and may (with respect to actions commenced by Franchisor), be brought in the state court within the judicial district in which Franchisor has its principal place of business at the time the action is commenced. Franchisor's principal place of business is currently Farmington Hills, Michigan. The parties waive all questions of personal jurisdiction or venue for the purpose of carrying out this provision. Neither party will seek a transfer or change in venue from a venue established or authorized in this Section or elsewhere in this Agreement.

16.5 Injunctive Relief.

Franchisor will have the right, without the posting of any bond or security and without the need to prove irreparable injury, to obtain specific enforcement of the terms of this Agreement from a court of competent jurisdiction, by temporary or permanent injunctions or other equitable relief. Franchisor will have the right, without limitation, to obtain injunctive relief to prevent Franchisee from engaging in the following acts, which Franchisee acknowledges would cause irreparable harm to Franchisor: (a) using any of the rights franchised by this Agreement in any manner not authorized in this Agreement; (b) engaging in operations in violation of the in-term and post-term restrictions on competition set forth in Article 12; (c) disclosing to any person or using the trade secrets or confidential information of Franchisor in violation of the terms of this Agreement; (d) transferring or assigning this Agreement or the assets of the Franchise Business without complying with this Agreement; (e) engaging in acts or practices in violation of applicable laws and regulations or that are fraudulent, dishonest or create health or other hazards to the public; or (f) significantly impairing the goodwill associated with Franchisor. The sole remedy of Franchisee, in the event of entry of an injunction, will be the dissolution of the injunction, if warranted, after notice and a hearing (all claims for damages by reason of the wrongful issuance of any injunction are being expressly waived by Franchisee). Franchisor's rights to obtain injunctive relief are in addition to all other remedies available to Franchisor under applicable law.

16.6 Costs of Enforcement.

If any arbitration or legal action or other proceeding is begun for the enforcement of this Agreement, or for an alleged dispute, breach, default or misrepresentation under any term of this Agreement, then Franchisor, if Franchisor is the prevailing party, is entitled to recover reasonable pre-institution and post-institution attorneys fees, court costs, and all expenses even if not taxable as court costs (including all fees and expenses incident to appellate, bankruptcy and post-judgment proceedings), incurred in the action or proceeding in addition to all other relief to which Franchisor is entitled. Attorneys fees includes paralegal fees, administrative costs, investigative costs, costs of expert witnesses, court reporter fees, sales and use taxes, if any, and all other charges billed by the attorney to the prevailing party. If Franchisor engages legal counsel because of Franchisee's failure to pay when due any monies owed under this Agreement or submit when due any reports, information or supporting records, or for any failure to otherwise comply with this Agreement, Franchisee must reimburse Franchisor on demand for all of the above listed expenses Franchisor incurs.

16.7 No Class Action or Consolidation.

Franchisor and Franchisee agree that any litigation will only be conducted on an individual, not a class-wide basis, and that a litigation proceeding between Franchisor and

Franchisee may not be consolidated with any other litigation proceeding between the parties and any other person, corporation, limited liability company, partnership or other entity. The parties waive, to the fullest extent allowed by law, any right to pursue or participate as a lead plaintiff or a class representative in any claim on a class or consolidated basis.

16.8 Jury Waiver; Time Period for Bringing Claims; Limitation of Damages.

SUBJECT TO APPLICABLE STATE LAW, FRANCHISOR AND FRANCHISEE IRREVOCABLY WAIVE TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM, WHETHER AT LAW OR IN EQUITY, BROUGHT BY EITHER OF THEM AGAINST THE OTHER, WHETHER OR NOT THERE ARE OTHER PARTIES IN SUCH ACTION OR PROCEEDING.

ALL CLAIMS ARISING UNDER THIS AGREEMENT OR FROM THE RELATIONSHIP BETWEEN THE PARTIES ARE BARRED UNLESS AN ACTION IS FILED AND TIMELY SERVED ON THE OPPOSING PARTY WITHIN ONE YEAR FROM THE DATE THE PARTY KNEW OR SHOULD HAVE KNOWN OF THE FACTS CREATING THE CLAIM, EXCEPT TO THE EXTENT ANY APPLICABLE LAW OR STATUTE PROVIDES FOR A SHORTER PERIOD OF TIME TO BRING A CLAIM OR AS OTHERWISE REQUIRED BY LAW.

FRANCHISEE WAIVES IN ANY JUDICIAL ACTION, TO THE FULLEST EXTENT PERMITTED BY LAW, ANY RIGHT TO OR CLAIM OF ANY SPECIAL, PUNITIVE OR EXEMPLARY DAMAGES AGAINST FRANCHISOR AND AGREES THAT IN THE EVENT OF A DISPUTE BETWEEN THEM, FRANCHISEE WILL BE LIMITED TO THE RECOVERY OF ANY ACTUAL DAMAGES SUSTAINED FRANCHISEE.

16.9 Survival.

The provisions of this Article 16 will continue in full force and effect subsequent to and notwithstanding the expiration or termination of this Agreement.

ARTICLE 17 – ACKNOWLEDGMENTS AND REPRESENTATIONS BY FRANCHISEE

17.1 Risk of Operations.

Franchisee understands the risks of being involved in a retail restaurant business and is able to bear such risks. Franchisee also acknowledges that the success of the Franchise Business depends primarily on Franchisee's efforts. In addition, other factors beyond the control of Franchisor or Franchisee may affect the success of Franchisee's business, including competition, economic conditions, business trends, costs, market conditions, and other conditions that may be difficult to anticipate, assess or even identify. Franchisee understands and acknowledges that the Franchise Business may lose money or fail.

17.2 Representations by Franchisor.

Franchisee acknowledges and agrees that, except as specifically set forth in this Agreement or the Franchisor's Franchise Disclosure Document or the attached "Acknowledgments by Franchisee," no representations or warranties, express or implied, have

been made to Franchisee, either by Franchisor or anyone acting on its behalf or purporting to represent it, including, but not limited to, the prospects for successful operations, the level of business or profits that Franchisee might reasonably expect, the desirability, profitability or expected traffic volume or profit of the Franchise Business. Franchisee acknowledges that all such factors are necessarily dependent upon variables beyond Franchisor's control, including, without limitation, the ability, motivation and amount and quality of effort expended by Franchisee. Franchisee acknowledges that neither Franchisor nor any of its agents or representatives have made or are authorized to make any oral, written or visual representations or projections of actual or potential sales, earnings, net or gross profits, operational costs or expenses, prospects or chances of success that are not contained in this Agreement or in the Franchisor's Franchise Disclosure Document. Franchisee agrees that it has not relied on and that Franchisor will not be bound by allegations of any representations as to earnings, sales, profits, costs, expenses, prospects or chances of success that are not contained in this Agreement or the Franchisor's Franchise Disclosure Document.

17.3 Review of Materials and Consultation with Advisors.

Franchisee acknowledges that it has read and understood this Agreement, the attachments to this Agreement, and the documents relating to this Agreement, if any, and has been given ample time and opportunity to consult with an attorney or other professional advisor about the potential benefits and risks of entering into this Agreement.

17.4 Independent Status of Contract; Non-Uniformity of Agreements.

Franchisee understands and agrees that Franchisor is entering into this Agreement with Franchisee independently and separately from any franchise or license that Franchisor may grant to any other person or entity, and that Franchisee is not entering into this Agreement in reliance on or because of any other agreement that Franchisor may have entered into with a third party. Franchisee understands and agrees that the terms of Franchisor's agreements with third parties, now and in the future, may be materially different with respect to any terms and condition of this Agreement, including but not limited to, royalty fees, advertising fees, transfer fees, territorial exclusivity, renewals and training. These variations may be based on any factors or conditions that Franchisor deems to be in the best interest of the Savvy Sliders franchise system or a particular Restaurant, including but not limited to, the knowledge, experience and financial status of a franchisee, peculiarities of a particular location, customer base, density, lease provisions, business potential, population of trade area, existing business practices or any other condition that Franchisor deems to be of importance to the operation of a specific Restaurant. Also, these variations may result from Franchisor, in its sole discretion, compromising, forgiving, or settling claims or disputes with or against other franchisees. Franchisee will not be entitled to require Franchisor to disclose or grant to Franchisee a like or similar variation.

17.5 Terrorist and Money Laundering Activities.

Franchisee and its owners, officers, directors, members, partners and agents represent and warrant to Franchisor that: (a) they are not identified by name or alias, pseudonym or nickname, on the lists of "Specially Designated Nationals" or "Blocked Persons" maintained by the U.S. Treasury Department's Office of Foreign Assets Control; (b) they are not directly or indirectly owned or controlled by the government of any country that is subject to a United States embargo;

(c) they will not act directly or indirectly on behalf of the government of any country that is subject to a United States embargo; and (d) they are in full compliance with all laws proscribing money laundering and corrupt practices. Further, Franchisee and its owners, officers, directors, members, partners and agents represent and warrant to Franchisee that they have not violated and agree not to violate any law prohibiting corrupt business practices, money laundering or the aid or support of persons who conspire to commit acts of terror against any person or government, including acts prohibited by the USA Patriot Act, U.S. Executive Order 13244, or any similar law. The foregoing constitute continuing representations and warranties, and Franchisee and its owners, officers, directors, members, partners and agents must immediately notify Franchisor in writing of the occurrence of any event or the development of any circumstance that might render any of the foregoing representations and warranties false, inaccurate or misleading.

ARTICLE 18 – WAIVERS AND APPROVALS

18.1 No Waivers.

The failure or delay of any party at any time to require performance by another party of any provision of this Agreement, even if known, will not affect the right of that party to require performance of that provision or to exercise any right under this Agreement. Franchisor will not waive any right, power or option under this Agreement (including, without limitation Franchisor'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 it expires) by reason of any of the following: (a) the failure or delay of Franchisor to require performance by another franchisee of any provision of its franchise agreement; (b) the existence of other franchise agreements which contain provisions different from those contained in this Agreement; (c) Franchisor's acceptance of any payments due from Franchisee after any breach of this Agreement; or (d) any special or restrictive legend of endorsement on any check or similar item given to Franchisor by Franchisee (Franchisor is authorized to remove or cancel any such legend or endorsement). Any waiver by any party of any breach of any provision of this Agreement is not a waiver of any continuing or later breach of that provision, a waiver of the provision itself, or a waiver of any right under this Agreement. No notice to or demand on any party in any case, of itself, entitles that party to any other notice or demand in similar or other circumstances.

18.2 Consents, Approvals and Satisfaction; Liability.

Whenever Franchisor's consent or approval is required under this Agreement, consent or approval will not be unreasonably withheld or delayed unless specifically stated in this Agreement to the contrary. All consents or approvals required of Franchisor are not binding on Franchisor unless the consent or approval is in writing and signed by the president or a managing member of Franchisor. Franchisor's consent or approval, whenever required, may be withheld if Franchisee is in default under this Agreement. Where the satisfaction of Franchisor is required under this Agreement, unless the Agreement expressly states otherwise, the satisfaction is determined in Franchisor's sole discretion. Franchisor will not be liable to Franchisee in any manner for providing or failing to provide or for any delay in providing any waiver, approval, assistance, consent or suggestion to Franchisee. Franchisee waives any claims against Franchisor for such liability.

18.3 Franchisor's Reasonable Business Judgment.

Whenever Franchisor has reserved in this Agreement a right to take or to withhold an action, or to grant or decline to grant Franchisee a right to take or omit an action, Franchisor may, except as otherwise specifically provided in this Agreement, make its decision or exercise its rights based on information readily available to Franchisor and Franchisor's judgment of what is in Franchisor's and/or the Savvy Sliders franchise system's best interests at the time Franchisor's decision is made, without regard to either whether Franchisor could have made other reasonable or even arguably preferable alternative decisions or whether Franchisor's decision promotes its financial or other individual interest. Examples of items that will promote or benefit the Savvy Sliders franchise system include, without limitation, enhancing the value of the Franchise Marks, improving customer service and satisfaction, improving product quality, improving uniformity, enhancing or encouraging modernization, and improving the competitive position of the Savvy Sliders franchise system.

ARTICLE 19 – ADDITIONAL PROVISIONS

19.1 Independent Contractor.

Franchisee understands and agrees that it will be an independent contractor under this Agreement. Nothing in this Agreement may be construed to create a partnership, joint venture, agency or employment relationship of any kind. The parties acknowledge that this Agreement does not create a fiduciary relationship between the parties. Franchisee will not, without Franchisor's prior written approval, have any power to obligate Franchisor for any expenses, liabilities or other obligations, other than as specifically provided in this Agreement. Except as otherwise expressly authorized by this Agreement, neither party will make any express or implied agreements, warranties, guarantees or representations or incur any debt in the name of or on behalf of the other party, or represent that the relationship between Franchisor and Franchisee is other than that of franchisor and franchisee. Franchisor does not assume any liability, and will not be considered liable, for any agreements, representations, or warranties made by Franchisee unless expressly authorized under this Agreement. Franchisor will not be obligated for any damages to any person or property that directly or indirectly arises from or related to the operation of the Franchise Business by Franchisee.

Franchisee acknowledges and agrees, and will never contend otherwise, that Franchisee alone will exercise day-to-day control over all operations, activities and elements of the Franchise Business and that under no circumstance will Franchisor do so or be deemed to do so. Franchisee further acknowledges and agrees, and will never contend otherwise, that the various requirements, restrictions, prohibitions, specifications and procedures of the Franchise Systems, which Franchisee is required to comply with under this Agreement, whether contained in the Operations Manual or otherwise, do not directly or indirectly constitute, suggest, infer or imply that Franchisor controls any aspect or element of the day-to-day operations of the Franchise Business, which Franchisee alone controls, but only constitute standards that Franchisee must adhere to when exercising control of the day-to-day operations of the Franchise Business.

None of Franchisee's employees will be considered employees of Franchisor. Neither Franchisee nor any of its employees whose compensation Franchisee may pay in any way, directly or indirectly, expressly or by implication, will be construed to be an employee of Franchisor for

any purpose, including, without limitation, with respect to any mandated or other insurance coverage, tax or contributions, or requirements pertaining to withholdings, levied or fixed by any local, state or federal governmental agency. Franchisor will not have direct or indirect control over the terms and conditions of employment of Franchisee's employees, including but not limited to the power to hire or fire Franchisee's employees. Franchisee expressly agrees, and will never contend otherwise, that Franchisor's authority under this Agreement to perform certain functions for the Franchise Business does not directly or indirectly vest in Franchisor power to hire, fire, or control any of Franchisee's employee.

19.2 Definition of Affiliate.

For purposes of this Agreement, an affiliate of a party is any person (including an individual, sole proprietorship, partnership, corporation, limited liability company or other entity) that, directly or indirectly, controls, is controlled by or is under common control with the party or any of its shareholders, officers, directors, partners, owners or investors.

19.3 Third Parties.

Except as provided in this Agreement to the contrary for any affiliates or franchisees of Franchisor, nothing in this Agreement, whether expressed or implied, is intended to confer any rights under this Agreement on any person (including other Savvy Sliders Restaurant franchisees) other than the parties and their respective personal representatives, other legal representatives, heirs, successors and permitted assigns.

19.4 Cumulative Remedies.

All remedies, either under this Agreement or by law or otherwise afforded, will be cumulative and not alternative.

19.5 Notices.

Unless otherwise specified in this Agreement, notices under this Agreement must be in writing signed by the party serving the same and must be sent by: (a) registered or certified mail, return receipt requested, postage pre-paid, in which case the notice will be complete two (2) days after mailing; (b) overnight courier service, in which case the notice will be complete one (1) day after delivery to the overnight courier; or (c) facsimile with proof of completion, in which case the notice will be complete one (1) day after proof of completion. The notice must be sent to the address or facsimile number set forth below or at such address or facsimile number as designated by notice pursuant to this Section.

If to Franchisor: Savvy Sliders Franchise LLC
Attention: Chief Operating Officer
30955 Northwestern Highway, Suite 300
Farmington Hills, Michigan 48334
Fax: (248) 538-0011

With a copy to: Paul S. Miller, Esq.
Schmidt, Isgrigg, Anderson & Miller
2745 Pontiac Lake Rd.

Waterford, Michigan 48328
Phone: (248) 682-8800
Fax: (248) 682-0378

If to Franchisee: See Item 6 of Appendix A.

19.6 Unavoidable Contingencies.

Neither party will be responsible for any contingency that is unavoidable or beyond its control, such as strike, flood, war, rebellion, governmental limitation or Act of God.

19.7 Entire Agreement; Modifications.

This Agreement and all appendices and other documents attached to this Agreement which are incorporated in this Agreement, will constitute the entire agreement between the parties. This Agreement supersedes and replaces any and all previous or contemporaneous written and oral agreements or understandings, promises, representations or dealings between the parties. However, nothing in this Section or otherwise in this Agreement is intended to disclaim or waive Franchisee's reliance on any authorized statements made in the Franchise Disclosure Document delivered to Franchisee or in the exhibits and amendments to the Franchise Disclosure Document. This Agreement may not be amended or modified except in a writing signed by both parties, except as provided in Section 19.7 below and except that Franchisor may unilaterally modify the Franchise Systems and its specifications as provided in this Agreement. THIS SECTION 19.7 WILL NOT APPLY TO THE SEPARATE CONFIDENTIALITY AND NONDISCLOSURE AGREEMENT AND COVENANT NOT TO COMPETE EXECUTED BY FRANCHISEE AND ITS OWNERS AND THE GUARANTY, WHICH CONSTITUTE SEPARATE AGREEMENTS AND WILL NOT BE INTEGRATED WITH OR CONSIDERED A PART OF THIS AGREEMENT.

19.8 Amendment of Prior Agreements.

In order to obtain uniformity and quality of operation, performance, dispute resolution and other matters, Franchisor amends its standard Franchise Agreement from time to time. As a result, this Agreement may be different than other franchise agreements Franchisee may have signed in the past and may contain revised provisions regarding modifications to the Franchise Systems, manner of payment of fees and late fees, duties of franchisee, protection of trademarks, status and protection of manuals and confidential information, advertising, insurance, accounting and records, transfers, default and termination, obligations on termination, franchisee covenants, taxes, indemnification, approvals and waivers, notices, construction of agreement, applicable law and/or other matters. To cooperate with Franchisor in the achievement of these goals and as a condition of the grant of an additional franchise, Franchisee agrees that all of Franchisee's existing franchise agreements with Franchisor and all existing franchise agreements between any affiliate of Franchisee and Franchisor are amended to include the following provisions of this Agreement (if the existing franchise agreements do not already include these provisions): Sections 1.1 through 1.3, 4.8 through 4.16, 6.1 through 6.7, 8.1 through 8.18, 9.2 through 9.4, 10.2 through 10.4, 11.1 through 11.4, 12.1 through 12.5, 13.1 through 13.6, 14.1 through 14.10, 15.1 through 15.5, 16.1 through 16.8 and 17.1 through 17.5, 18.1 through 18.3 and 19.1 through 19.14. **FRANCHISEE ACKNOWLEDGES AND UNDERSTANDS THAT THIS**

SECTION 19.8 AMENDS ALL OF FRANCHISEE'S (AND ITS AFFILIATES') EXISTING FRANCHISE AGREEMENTS WITH FRANCHISOR AND THAT ANY SUCH AMENDMENT WILL SURVIVE THE EXPIRATION OR TERMINATION OF THIS AGREEMENT.

19.9 Severability.

Each Section, part or provision of this Agreement will be considered severable. If any Section, part or provision is found unenforceable by a court of competent jurisdiction, that determination will not impair the operation or affect the validity of the remainder of this Agreement unless such unenforceability, in the opinion of Franchisor, materially alters the protection of the Franchise Marks or Franchisor's source of revenues. In that event, Franchisor may substitute for this Agreement, a new agreement without such unenforceable terms and such additional terms as may be appropriate under the circumstances.

19.10 Obligations Joint and Several.

If there is more than one individual or entity signing this Agreement as Franchisee, all such persons are jointly and individually liable for Franchisee's obligations under this Agreement.

19.11 Signing by Franchisor.

The submission of this Agreement is not an offer by Franchisor and Franchisor is not bound in any way until this Agreement is signed by an executive officer or an authorized representative of Franchisor.

19.12 Ownership of Franchisee.

The owners and percentage of ownership of Franchisee are listed on Appendix B.

19.13 Headings.

Section headings are for convenience of reference only and do not limit or affect the provisions of this Agreement.

19.14 Counterparts.

This Agreement may be executed in any number of counterparts each of which when so executed will be an original, but all of which together will constitute one (1) and the same instrument. This Agreement may be executed on signature pages exchanged by electronic mail (including pdf or any electronic signature complying with the U.S. federal ESIGN Act of 2000, e.g., www.docusign.com) or other transmission method and any counterpart so delivered will be deemed to have been duly and validly delivered and be valid and effective for all purposes. Copies of executed counterparts transmitted by electronic transmission service will be considered original executed counterparts for purposes of this Agreement.

19.15 Supplemental Agreements.

Franchisee must sign supplemental agreements, which are attached as Appendices to this Agreement, simultaneous with the signing of this Agreement, including the following:

(a) **Appendix A—Specifics.** This document describes Franchisee’s Licensed Location, required opening date, the Designated Owners and Franchisee’s address for notice as referenced in this Agreement.

(b) **Appendix B—Obligations and Representation of Individuals Involved in the Franchise Business.** The owners of Franchisee sign this document to agree to be personally bound by the provisions of this Agreement and to provide information about Franchisee and its owners.

(c) **Appendix C—Acknowledgements by Franchisee.** Franchisee completes and signs this document to provide information about representations and disclosures by Franchisor so that Franchisor may ensure that all applicable franchise rules and laws have been followed in the sale of the franchise to Franchisee.

(d) **Appendix D—Personal Guaranty.** The owners of Franchisee sign this document to agree to be personally bound by the financial obligations of Franchisee to Franchisor.

(e) **Appendix E—Telephone and Fax Number, Internet Domain Name and E-Mail Address Assignment.** Franchisee must sign this document now and any time in the future as Franchisor requests in order to acknowledge and agree to Franchisor’s right to assignment of the telephone and fax numbers, email addresses, website addresses, domain names or other comparable electronic identifiers and written and online directory listings that have been used in the Franchise Business. On the expiration or termination of this Agreement, Franchisor may, at its option, accept the assignment and deliver the assignment to the applicable service providers to complete the assignment.

(f) **Appendix F—Franchisee Pledge.** Franchisee signs this document to pledge to follow the Franchise Systems, communicate with Franchisor, actively participate in meetings, conventions and other events sponsored by Franchisor and act as a team player with other franchisees.

(g) **Appendix G—Electronic Fund Transfer Authorization.** Franchisee signs this document to authorize Franchisor to withdraw funds from Franchisee’s account for payment of amounts owed to Franchisor.

(h) **Appendix H – Confidentiality and Non-Disclosure Agreement and Covenant Not to Compete.** The Franchisee and each of its individual owners must sign this agreement.

Franchisor and Franchisee have signed this Agreement on the dates set forth beside their signatures to be effective as of the date set forth at the beginning of this Agreement.

SAVVY SLIDERS FRANCHISE LLC

By: _____

Its: _____

Acknowledged before me in _____ County, Michigan, on _____, 20____,
by _____, the _____ of the SAVVY SLIDERS FRANCHISE LLC, a
Michigan limited liability company.

Notary Signature: _____

Print Name: _____

Notary Public, _____, County, MI

Commission Expires: _____

Acting in the County of: _____

CORPORATE OR PARTNERSHIP
FRANCHISEE

By: _____

Its: _____

Acknowledged before me in _____ County, Michigan, on _____,
20____, by _____, the _____ of _____, a
_____.

Notary Signature: _____

Print Name: _____

Notary Public, _____, County, MI

Commission Expires: _____

Acting in the County of: _____

(Individual Franchisee(s))

(Individual Franchisee(s))

(Individual Franchisee(s))

Acknowledged before me in _____ County, Michigan, on _____, 20____,
by _____.

Notary Signature: _____

Print Name: _____

Notary Public, _____, County, MI

Commission Expires: _____

Acting in the County of: _____

APPENDIX A—SPECIFICS

ITEM 1: The type of Restaurant that Franchisee is authorized to operate under this Agreement is (check one):

Standard Restaurant

Savvy Sliders Express

ITEM 2: The location of the Franchise Business as referred to in Sections 2.1 and 7.1 ("Franchise Location") or the area in which the Franchise Business will be located is:

ITEM 3: The Protected Area under Section 2.3, if not the area within a one mile driving distance of the Franchise Location, is:

ITEM 4: The designated opening date of the Franchise Business, under Section 8.1 is _____, 20__.

ITEM 5: The Designated Owners under Section 8.9 is/are:

ITEM 6: Franchisee's address and facsimile number for purposes of notice under Section 19.4 are:

Fax: () ____ - _____

Dated: _____

SAVVY SLIDERS FRANCHISE LLC

Franchisee

By: _____

By: _____

Its: _____

Its: _____

APPENDIX B—OBLIGATIONS AND REPRESENTATIONS OF INDIVIDUAL INTERESTED PARTIES

This is an Appendix to the Franchise Agreement between Savvy Sliders Franchise LLC and the Franchisee named below dated _____, 20____ (“Franchise Agreement”). All capitalized terms not defined in this Appendix will have the same meaning ascribed to them in the Franchise Agreement.

Each of the entities and individuals signing below (each an “Interested Party”) is directly or indirectly beneficially interested in the Franchise Business as a shareholder, officer, director, partner, member, owner, investor, Family Member and/or affiliate of Franchisee. As such, each Interested Party hereby agrees to and will be jointly, severally and personally bound by all the terms and provisions of the Franchise Agreement, other than those requiring the payment of money by Franchisee, to the same extent and in the same manner as Franchisee is bound, including but not limited to the confidentiality covenants, the non-competition covenants, the non-solicitation covenants, and all other restrictive covenants set forth in Articles 11 and 12 of the Franchise Agreement, whether or not Interested Party’s status as a shareholder, officer, director, partner, member, owner, investor, Family Member and/or affiliate of Franchisee may change or cease during or after the term of the Franchise Agreement. This Appendix will not impair any separate instrument of guaranty or subordination that any Interested Party signing below has executed or may execute in the future.

Each Interested Party signing below represents and warrants to Franchisor that the following is correct and true:

Legal Name of Franchisee: _____

Type of Entity and State of Organization (sole proprietorship, corporation, partnership, limited liability company, etc.): _____

d/b/a (if applicable): _____

Address of Franchisee: _____

Business Telephone: _____

Name, Address, Phone No., Title and % of Ownership of each Interested Party:

Name	_____
Address	_____
Telephone	_____
Title	_____ % Ownership _____

Name _____
Address _____
Telephone _____
Title _____ % Ownership _____

Name _____
Address _____
Telephone _____
Title _____ % Ownership _____

(Attach additional sheets if necessary)

Acknowledged and Agreed by Each Undersigned Interested Party:

/S/ _____

Dated: _____

(Print Name Above)

/S/ _____

Dated: _____

(Print Name Above)

/S/ _____

Dated: _____

(Print Name Above)

APPENDIX C—ACKNOWLEDGEMENTS BY FRANCHISEE

As you know, you and we are entering into a Franchise Agreement for the operation of a Savvy Sliders Restaurant franchise. The purpose of this Acknowledgement Addendum is to determine whether any statements or promises were made to you that we have not authorized or that may be untrue, inaccurate or misleading, and to be certain that you understand the limitations on claims that may be made by you by reason of the offer and sale of the franchise and operation of your Franchise Business. Please review each of the following questions carefully and provide honest responses to each question.

Acknowledgements and Representations*

1. Did you receive a copy of our Franchise Disclosure Document (and all exhibits and attachments) at least 14 days before you signed a binding agreement with, or paid any consideration to, us or our affiliates in connection with the proposed franchise sale? Check one: Yes No. If no, please comment: _____

1A. If you are a resident of or your franchise will be located in **Iowa, Maryland, New York, Oklahoma** and **Rhode Island**, did you receive a copy of our Franchise Disclosure Document at least by the earliest of: (a) at the time of your first personal meeting with us to discuss the franchise; or (b) 10 business days before you signed a binding agreement with, or made a payment to, us or our affiliates in connection with the proposed franchise sale? Check one: N/A Yes No. If no, please comment: _____

1B. If you are a resident of or your franchise will be located in **Indiana, Michigan, Washington** or **Wisconsin**, did you receive a copy of our Franchise Disclosure Document at least 10 business days before you signed a binding agreement with, or made a payment to, us or our affiliates in connection with the proposed franchise sale? Check one: N/A Yes No. If no, please comment: _____

2. Were the terms and conditions of the Franchise Agreement presented to you for signing materially different from the Franchise Agreement contained in the Franchise Disclosure Document delivered to you: Check one: Yes No.

If yes, did you receive a copy of the Franchise Agreement in the form presented to you for signing at least seven calendar days before signing the Franchise Agreement? Check one: Yes No. If no, please comment: _____

3. Was any oral, written or visual claim or representation made to you that contradicted the disclosures in the Franchise Disclosure Document? Check one: Yes No. If yes, please state in detail the oral, written or visual claim or representation: _____

4. Except as may be stated in Item 19 of the Savvy Sliders Franchise LLC Franchise Disclosure Document, did any employee or other person speaking on behalf of Savvy Sliders Franchise LLC make any oral, written or visual claim, statement, promise or representation to you that stated, suggested, predicted or projected sales, revenues, expenses, earnings, income or profit levels at any Savvy Sliders Restaurant location or business, or the likelihood of success at your Franchise Business? Check one: Yes No. If yes, please state in detail the oral, written or visual claim or representation: _____

5. Except as may be stated in Item 19 of the Savvy Sliders Franchise LLC Franchise Disclosure Document, did any employee or other person speaking on behalf of Savvy Sliders Franchise LLC make any statement or promise regarding the costs involved in operating a franchise that is not contained in the Franchise Disclosure Document or that is contrary to, or different from, the information contained in the Franchise Disclosure Document. Check one: Yes No. If yes, please comment: _____

6. Do you understand that the Franchise Agreement contains the entire agreement between you and us concerning the franchise for the Franchise Business and that any prior oral or written statements not set out in the Franchise Agreement will not be binding? Check one: Yes No. If no, please comment: _____

7. Do you understand that the success or failure of your Franchise Business will depend in large part upon your skills and experience, your business acumen, your location, the local market for services under the Savvy Sliders Franchise LLC trademarks, interest rates, the economy, inflation, the number of employees you hire and their compensation, competition and other economic and business factors? Check one: Yes No. If no, please comment: _____

YOU UNDERSTAND THAT YOUR ANSWERS ARE IMPORTANT TO US AND THAT WE WILL RELY ON THEM. BY SIGNING THIS ADDENDUM, YOU ARE REPRESENTING THAT YOU HAVE CONSIDERED EACH QUESTION CAREFULLY AND RESPONDED TRUTHFULLY TO THE ABOVE QUESTIONS. IF MORE SPACE IS NEEDED FOR ANY ANSWER, CONTINUE ON A SEPARATE SHEET AND ATTACH.

NOTE: IF THE RECIPIENT IS A CORPORATION, PARTNERSHIP, LIMITED LIABILITY COMPANY OR OTHER ENTITY, EACH OF ITS OWNERS MUST SIGN THIS ACKNOWLEDGEMENT.

Signed: _____

Signed: _____

Print Name: _____

Print Name: _____

Date: _____

Date: _____

*Such representations are not intended to nor will they act as a release, estoppel or waiver of any liability incurred under the Illinois Franchise Disclosure Act or under the Maryland Franchise Registration and Disclosure Law.

APPENDIX D--PERSONAL GUARANTY

Each of the persons signing this Guaranty (each a “Guarantor”), in order to induce SAVVY SLIDERS FRANCHISE LLC (“Franchisor”) to enter into a Franchise Agreement, dated the _____ day of _____, 20____, with _____ (“Franchisee”), unconditionally and absolutely guaranties payment when due, whether by stated maturity, demand, acceleration or otherwise, of all existing and future indebtedness (“Indebtedness”) of Franchisee to Franchisor. Indebtedness includes without limit: any and all obligations or liabilities of the Franchisee to Franchisor under the Franchise Agreement or any other agreement between the Franchisor and Franchisee or otherwise arising, whether absolute or contingent, direct or indirect, voluntary or involuntary, liquidated or unliquidated, joint or several, known or unknown; any and all indebtedness, obligations or liabilities for which Franchisee would otherwise be liable to Franchisor were it not for the invalidity, irregularity or unenforceability of them by reason of any bankruptcy, insolvency or other law or order of any kind, or for any other reason; any and all amendments, modifications, renewals and/or extensions of any of the above; and all costs of collecting Indebtedness, including, without limit, actual attorney fees. In addition, Guarantor agrees as follows:

1. Guarantor hereby agrees to and will be jointly, severally, and personally bound by all the terms and provisions of the Franchise Agreement to the same extent and in the same manner as Franchisee is bound.

2. This Guaranty is a continuing guaranty of payment and not of collection and remains effective whether the Indebtedness is from time to time reduced and later increased or entirely extinguished and later reincurred.

3. If any Indebtedness is guaranteed by two or more guarantors, the obligation of Guarantor will be several and also joint, each with all and also each with any one or more of the others, and may be enforced at the option of Franchisor against each severally, any two or more jointly, or some severally and some jointly. Franchisor, in its sole discretion, may release any one or more of the Guarantors for any consideration that it deems adequate, and may fail or elect not to prove a claim against the estate of any bankrupt, insolvent, incompetent or deceased Guarantor; and after that, without notice to any Guarantor, Franchisor may extend or renew any or all Indebtedness and may permit Franchisee to incur additional Indebtedness, without affecting in any manner the unconditional obligation of the remaining Guarantor(s). Guarantor acknowledge(s) that the effectiveness of this Guaranty is not conditioned on any or all of the indebtedness being guaranteed by anyone else.

4. Guarantor, to the extent not expressly prohibited by applicable law, waive(s) any right to require Franchisor to: (a) proceed against any person or property; (b) give notice of the terms, time and place of any public or private sale of personal property security held from Franchisee or any other person, or otherwise comply with the provisions of Sections 9-611 or 9-621 of the Michigan or other applicable Uniform Commercial Code, as the same may be amended, revised or replaced from time to time; or (c) pursue any other remedy in Franchisor’s power. Guarantor waive(s) notice of acceptance of this Guaranty and presentment, demand,

protest, notice of protest, dishonor, notice of dishonor, notice of default, notice of intent to accelerate or demand payment of any Indebtedness, any and all other notices to which Guarantor might otherwise be entitled, and diligence in collecting any Indebtedness, and agree(s) that Franchisor may, once or any number of times, modify the terms of any Indebtedness, compromise, extend, increase, accelerate, renew, or forbear to enforce payment of any or all Indebtedness, or permit Franchisee to incur additional Indebtedness, all without notice to Guarantor and without affecting in any manner the unconditional obligation of Guarantor under this Guaranty.

5. Guarantor unconditionally and irrevocably waive(s) each and every defense and setoff of any nature which, under principles of guaranty or otherwise, would operate to impair or diminish in any way the obligation of Guarantor under this Guaranty, and acknowledge(s) that each such waiver is by this reference incorporated into each security agreement, collateral assignment, pledge and/or other document from Guarantor now or later securing this Guaranty and/or the Indebtedness, and acknowledge(s) that as of the date of this Guaranty no such defense or setoff exists.

6. This Guaranty is an absolute and continuing guarantee and will remain in effect unless revoked in writing by Guarantor.

7. As long as Franchisee owes any monies to Franchisor (other than payments that are not past due) Franchisee will not pay and Guarantor will not accept payment of any part of any indebtedness owed by Franchisee to us, or any one of us, either directly or indirectly, without the consent of Franchisor.

8. This Guaranty constitutes the entire agreement of Guarantor and Franchisor with respect to the subject matter of this Guaranty. No waiver, consent, modification or change of the terms of the Guaranty will bind any of Guarantor or Franchisor unless in writing and signed by the waiving party or an authorized officer of the waiving party, and then this waiver, consent, modification or change will be effective only in the specific instance and for the specific purpose given. This Guaranty will inure to the benefit of Franchisor and its successors and assigns and will be binding on Guarantor and Guarantor's heirs, legal representatives, successors and assigns including, without limit, any debtor in possession or trustee in bankruptcy for any of Guarantor. Guarantor has (have) knowingly and voluntarily entered into this Guaranty in good faith for the purpose of inducing Franchisor to extend credit or make other financial accommodations to Franchisee. If any provision of this Guaranty is unenforceable in whole or in part for any reason, the remaining provisions will continue to be effective.

9. THIS GUARANTY WILL BE GOVERNED BY AND CONSTRUED AND ENFORCED IN ACCORDANCE WITH THE LAWS OF THE STATE OF MICHIGAN (WITHOUT REFERENCE TO THE CONFLICT OF LAWS PROVISIONS). ANY ACTION BROUGHT BY GUARANTOR AGAINST FRANCHISOR OR FRANCHISOR'S AFFILIATES OR THEIR RESPECTIVE OWNERS, OFFICERS, DIRECTORS, MANAGERS, AGENTS OR EMPLOYEES, MUST BE BROUGHT EXCLUSIVELY, AND ANY ACTION BROUGHT BY FRANCHISOR AGAINST GUARANTOR MAY BE BROUGHT, IN THE FEDERAL DISTRICT COURT COVERING THE LOCATION AT WHICH FRANCHISOR

HAS ITS PRINCIPAL PLACE OF BUSINESS AT THE TIME THE ACTION IS COMMENCED; PROVIDED, HOWEVER, THAT IF THE FEDERAL COURT WOULD NOT HAVE SUBJECT MATTER JURISDICTION HAD THE ACTION BEEN COMMENCED IN SUCH COURT, THEN, IN SUCH EVENT, THE ACTION MUST (WITH RESPECT TO ACTIONS COMMENCED BY GUARANTOR), AND MAY (WITH RESPECT TO ACTIONS COMMENCED BY FRANCHISOR), BE BROUGHT IN THE STATE COURT WITHIN THE JUDICIAL DISTRICT IN WHICH FRANCHISOR HAS ITS PRINCIPAL PLACE OF BUSINESS AT THE TIME THE ACTION IS COMMENCED. FRANCHISOR'S PRINCIPAL PLACE OF BUSINESS IS CURRENTLY FARMINGTON HILLS, MICHIGAN. GUARANTOR WAIVES ALL QUESTIONS OF PERSONAL JURISDICTION OR VENUE FOR THE PURPOSE OF CARRYING OUT THIS PROVISION. GUARANTOR WILL NOT SEEK A TRANSFER OR CHANGE IN VENUE FROM A VENUE ESTABLISHED OR AUTHORIZED IN THIS GUARANTY. SERVICE OF PROCESS MAY BE MADE ON GUARANTOR IN ANY PROCEEDING RELATING TO OR ARISING UNDER THIS GUARANTY OR GUARANTOR'S RELATIONSHIP WITH FRANCHISOR BY ANY MEANS ALLOWED BY MICHIGAN OR FEDERAL LAW.

10. GUARANTOR AND FRANCHISOR ACKNOWLEDGE THAT THE RIGHT TO TRIAL BY JURY IS A CONSTITUTIONAL ONE, BUT THAT IT MAY BE WAIVED. EACH PARTY, AFTER CONSULTING (OR HAVING HAD THE OPPORTUNITY TO CONSULT) WITH COUNSEL OF THEIR CHOICE, KNOWINGLY AND VOLUNTARILY, AND FOR THEIR MUTUAL BENEFIT WAIVES ANY RIGHT TO TRIAL BY JURY IN THE EVENT OF LITIGATION REGARDING THE PERFORMANCE OR ENFORCEMENT OF, OR IN ANY WAY RELATED TO, THIS GUARANTY OR THE INDEBTEDNESS.

11. If Franchisor is required to enforce this Guaranty in any judicial or arbitration proceeding or any appeals, each Guarantor, jointly and severally, must reimburse Franchisor for its enforcement costs. Enforcement costs include actual accountants', attorneys', attorney's assistants', arbitrators' and expert witness fees, costs of investigation and proof of facts, court costs, arbitration filing fees, other litigation expenses and travel and living expenses, whether incurred prior to, in preparation for, or in contemplation of the filing of any written demand, claim, action, hearing or proceeding to enforce this Guaranty.

12. The failure to insist upon performance in any one (1) or more instances upon non-performance of any terms, covenants, and conditions of this Guaranty will not be construed as a waiver of future performance of any such term, covenant, or condition of this Guaranty, and any obligations with respect hereto will continue in full force and effect. Except as otherwise expressly provided in this Guaranty, no remedy conferred upon the Parties pursuant to this Guaranty is intended to be exclusive of any other remedy, and each and every such remedy will be cumulative and will be in addition to every other remedy given pursuant to this Guaranty or now or hereafter existing at law or in equity or by statute or otherwise. No single or partial exercise of any right, power or remedy pursuant to this Guaranty will preclude any other or further exercise thereof.

13. This Guaranty may be executed in any number of counterparts each of which when so executed will be an original, but all of which together will constitute one (1) and the

same instrument. This Guaranty may be executed on signature pages exchanged by electronic mail (including pdf or any electronic signature complying with the U.S. federal ESIGN Act of 2000, e.g., www.docusign.com) or other transmission method and any counterpart so delivered will be deemed to have been duly and validly delivered and be valid and effective for all purposes. Copies of executed counterparts transmitted by such electronic transmission service will be considered original executed counterparts for purposes of this Guaranty.

Dated: _____

GUARANTOR

Dated: _____

GUARANTOR

Dated: _____

GUARANTOR

Dated: _____

GUARANTOR

**APPENDIX E—ASSIGNMENT OF TELEPHONE AND FAX NUMBERS AND
ELECTRONIC IDENTIFIERS AND POWER OF ATTORNEY**

_____, a _____
 (“Franchisee”), assigns to SAVVY SLIDERS FRANCHISE LLC, a Michigan limited liability
 company (“Franchisor”) the telephone and fax numbers, email addresses, website addresses,
 domain names and other comparable electronic identifiers that have been used in the Savvy Sliders
 Restaurant Business operated by Franchisee, including but not limited to the following: _____

_____. Franchisee also hereby appoints the President or
 Managing Member of Franchisor as Franchisee’s attorney-in-fact to transfer such telephone and
 fax numbers, email addresses, website addresses, domain names and other comparable electronic
 identifiers to Franchisor and to sign, on behalf of Franchisee, all documents necessary to
 accomplish the transfer. The parties agree that each applicable service provider may rely on a
 copy of this assignment and power of attorney without the necessity of any further action.

FRANCHISEE

By: _____

Its: _____

Acknowledged before me in _____ County, Michigan, on _____,
 20____, by _____, the _____ of _____, a
 _____.

Notary Signature: _____

Print Name: _____

Notary Public, _____, County, MI

Commission Expires: _____

Acting in the County of: _____

ACCEPTANCE OF ASSIGNMENT OF TELEPHONE NUMBERS

SAVVY SLIDERS FRANCHISE LLC, a Michigan limited liability company, in
 consideration of the assignment by Franchisee of the telephone and fax numbers, email addresses,
 website addresses, domain names and other comparable electronic identifiers that have been used in
 the Savvy Sliders Restaurant Business operated by Franchisee, including but not limited to the
 following: _____

_____ ; assumes, as of this date, all existing and future obligations of Franchisee relating to the telephone and fax numbers, email addresses, website addresses, domain names and other comparable electronic identifiers that have been used in the Savvy Sliders Restaurant Business, including the payment of all unpaid charges for service and written and online directory listings already contracted for, and all applicable charges for the remainder of the term of any written and online directory listings. Franchisor's assumption of obligations in connection with the acceptance of this assignment will not release Franchisee from any such obligations arising before the effective date of the assignment and Franchisee must reimburse Franchisor for any such obligations paid by Franchisor.

SAVVY SLIDERS FRANCHISE LLC

By: _____

Its: _____

Acknowledged before me in _____ County, Michigan, on _____, 20____, by _____, the _____ of SAVVY SLIDERS FRANCHISE LLC, a Michigan limited liability company.

Notary Signature: _____

Print Name: _____

Notary Public, _____, County, MI

Commission Expires: _____

Acting in the County of: _____

APPENDIX F—FRANCHISEE PLEDGE

I understand it is my responsibility to make my Savvy Sliders Restaurant business a success by using the systems and resources created and made available by Savvy Sliders Franchise LLC (“Savvy Sliders”). Accordingly, I pledge:

- To fully utilize the Savvy Sliders business systems to maximize the performance of my business;
- To attend and actively participate in all conference calls, monthly meetings, conventions and any other events sponsored or suggested by Savvy Sliders to increase by chance of success and/or maximize the performance of my Savvy Sliders Restaurant business;
- To view my fellow Savvy Sliders franchisees as valuable resources and members of a collective team;
- To regularly and fully develop my team of employees to ensure they consistently deliver on the Savvy Sliders brand of service;
- To embrace new programs and business building initiatives developed for the enhancement of the performance of my Savvy Sliders Restaurant business;
- To develop and regularly review the business and financial plan for my Savvy Sliders Restaurant business;
- To always accept the primary responsibility for the performance and development of my Savvy Sliders Restaurant business;
- To always communicate with Savvy Sliders as to ideas, issues and concerns relating to my business; and
- To be part of the Savvy Sliders franchise team and to share the strengths of my business and work on the weaknesses of my business to better the team.

Signature and Title of
FRANCHISEE

Date

APPENDIX G—ELECTRNIC FUND TRANSFER AUTHORIZATION

**AUTHORIZATION TO HONOR CHARGES DRAWN BY AND
PAYABLE TO SAVVY SLIDERS FRANCHISE LLC (“FRANCHISOR”)**

The depositor identified below (“Depositor”) authorizes Savvy Sliders Franchise LLC and its designees (“Franchisor”) to initiate credit and debit entries electronically (referred to as an ACH or EFT transaction) or otherwise to Depositor’s checking or savings account indicated below (the “Account”) and authorizes the depository or bank designated below (the “Depository”) to credit and/or debit the same to the Account.

Debts to the Depositor’s Account that are not honored by the Depositor’s bank will incur a returned item charge upon each occurrence in accordance with the fee schedule determined by Franchisor. For any return item, Franchisor may re-initiate the ACH transaction or require the Depositor to replace the returned item with a Cashier’s check in the amount of the returned item plus any returned item fees due.

This authority is to remain in full force and effect until Depository has received joint written notification from Franchisor and Depositor of the Depositor’s termination of such authority in such time and in such manner as to afford Depository a reasonable opportunity to act on it.

Depositor acknowledges and agrees that the origination of ACH transactions must comply with the provisions of all U.S. law and banking regulations.

Depository (Bank) Name: _____

City: _____ State: _____ Zip Code: _____

Transit/ABA Number: _____

Account Number: _____

Depositor: (Please Print): _____

Acknowledged and Agreed: (Please Sign): _____

Name and Title of Person Signing: _____

Date Signed: _____

APPENDIX H— CONFIDENTIALITY AND NONDISCLOSURE AGREEMENT AND COVENANT NOT TO COMPETE

SAVVY SLIDERS FRANCHISE, LLC

CONFIDENTIALITY AND NONDISCLOSURE AGREEMENT AND COVENANT NOT TO COMPETE (Franchisee and Principal Owner)

This Confidentiality and Nondisclosure Agreement and Covenant Not to Compete (the “Agreement”) is entered into as of the date or dates set forth below by and between _____ located at _____ (“Franchisee”) and SAVVY SLIDERS FRANCHISE, LLC, located at 30955 Northwestern Hwy, Farmington Hills, MI 48334 (“Franchisor”), and _____, owner of Franchisee (“Owner”). Franchisee and Owner are hereinafter, collectively referred to as the “Franchisee Parties”.

- 1) **Introduction.** Franchisee is a party to the Franchise Agreement dated _____, 20__ (the “Franchise Agreement”) entered into by Franchisee and Franchisor. Franchisor franchises Savvy Sliders Restaurants and has the authority to disclose and discuss all information relating to the operations of a Savvy Sliders Restaurant. Confidential Information and Trade Secrets, which are more particularly described below, will be disclosed to the Franchisee Parties in relation to Franchisee’s operation of its Savvy Sliders Restaurant franchise. The Franchisee Parties understand the necessity of not disclosing any Confidential Information and Trade Secrets to any other party or using such information to compete against Franchisor, any affiliate(s) or other franchisee(s) of Franchisor, or in any business (i) that is a Competing Business (as defined below) or (ii) in which Trade Secrets and other Confidential Information (as defined below) could be used to the disadvantage of Franchisee, or Franchisor, any affiliate(s) of Franchisor, or Franchisor’s other franchisees. In order to induce Franchisor to transmit the Confidential Information and Trade Secrets to the Franchisee Parties, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Franchisee Parties and Franchisor hereby agree as follows:
 - 2) **Franchise System**
 - a) Franchisor franchises a system for operation of multiple restaurant concepts that offer to the public all or some of the following products—sliders, wings, fries, beverages, and other food products—for carry-out, dine-in, catering or delivery. Each restaurant concept includes technical information and expertise relating to the preparation and production of food products; the use of special spices and sauces, all of which constitute trade secrets and are identified by the public with Savvy Sliders products; special recipes and menu items; prescribed exterior and interior design, decor, fixtures, and furnishings; standards and specifications for products and supplies; service standards; uniform standards, specifications, and procedures for operations; training and assistance; and advertising and promotional programs (collectively “Systems”); all of which may be changed, improved, and further developed by Franchisor from time to time.

- b) A business operated under the System will be referred to in this agreement as a "Restaurant". The Restaurant operated by Franchisee under this Agreement will be referred to in this Agreement as the "Franchise Business."

3) **Definitions.**

- a) The term "Competing Business" will mean any business that is the same or similar to a Restaurant, including but not limited to a business that sells sliders or other sandwiches for carry-out, dine-in, catering or delivery or other products that may be offered by Restaurants now or in the future.
- b) The term "Confidential Information" will include, but is not limited to: (i) Operations Manuals, training methods, operations methods, menus, recipes, food preparation techniques and other techniques, processes, policies, procedures, systems, and data; (ii) Knowledge and experience relating to Restaurants; (iii) Advertising, marketing techniques and advertising programs used in developing and operating Restaurants; (iv) All information regarding the identities and business transactions of customers and suppliers; (v) Computer software and similar technology that has been or may be developed by or for Franchisor or its agents, which is proprietary to Franchisor, including, without limitation, digital passwords and identifications and any source code of, and data, reports, and other printed materials generated by, the software or similar technology; (vi) Knowledge of the operating results and financial performance of Restaurants; (vii) Other aspects of the Systems now or later revealed to any Franchisee Party under the Franchise Agreement and all changes and enhancements in the Systems, even if developed by a Franchisee Party; and (viii) other property that Franchisor describes as being Confidential Information or Trade Secrets of the Systems.
- c) The term "Franchise Location" will mean the location for the Franchise Business approved in writing by Franchisor pursuant to the Franchise Agreement.
- d) The term "Geographic Areas" will mean: (i) the Franchise Location; (ii) the area within ten (10) miles of the Franchise Location; and (iii) the areas within ten (10) miles of any other Savvy Sliders Restaurant existing or under development at the time Franchisee begins to operate the Competing Business.
- e) The term "Operations Manual" shall mean all operations manuals, brand guidelines manuals, training manuals, or other written materials relating to the System or containing Franchisor's specifications.
- f) The term "Trade Secret" will mean information in any form (including, but not limited to, materials and techniques, technical or non-technical data, formulas, patterns, compilations, recipes, programs, devices, methods, techniques, drawings, processes, financial data, financial plans, product plans, passwords, lists of actual or potential customers or suppliers) related to or used in the Franchise Business that is not commonly known by or available to the public and that information: (i) derives economic value, actual or potential, from not being generally known to, and not being readily

ascertainable by proper means by, other persons who can obtain economic value from its disclosure or use; and (ii) is the subject of efforts that are reasonable under the circumstances to maintain its secrecy.

4) **Confidentiality and Nondisclosure.**

- a) The Franchisee Parties must not at any time, during the term of the Franchise Agreement, or after the termination, expiration, or any other end of the Franchise Agreement, communicate, disclose, or use any Confidential Information or Trade Secrets (collectively, “Information”) for their own benefit, or the benefit of any third party, and must not directly or indirectly aid any third party to imitate, duplicate, or “reverse engineer” any of the Information. The Franchisee Parties agree to use and permit the use of Information solely in connection with the operation of the Franchise Business. The Franchisee Parties must not, without Franchisor’s prior written consent, copy, duplicate, record, or otherwise reproduce any Information. The Franchisee Parties hereby agree to indemnify Franchisor and its directors, officers, employees, agents, members, successors and assigns, affiliates and subsidiaries, and the respective directors, officers, employees, agents, shareholders, members, affiliates, and successors and assigns of each, from any damages, costs, or expenses resulting from or related to any unauthorized disclosure or use of Information by the Franchisee Parties or their respective directors, officers, employees, agents, shareholders, members, affiliates, consultants, and contractors. The Franchisee Parties agree never to copy, duplicate, record or otherwise reproduce any of the Information, in whole or part, share it with any other third-party individual or entity (except as provided in this Agreement), store it in a computer or other electronic format, or otherwise make it available to any third party by any other means whatsoever. The Franchisee Parties must retain all Information in strict confidence and not use the Information except as otherwise provided in this Agreement. The Franchisee Parties agree not to claim any right or interest in or to disclose Information to others.
- b) During the term of the Franchise Agreement between Franchisee and Franchisor or in the event the Franchise Agreement terminates, expires without renewal, or ends for any other reason, the Franchisee Parties agree not to use any of the Information to own, operate, or develop any Competing Business.
- c) The Franchisee Parties acknowledge Franchisor’s exclusive ownership of the Information and the System and Franchisor’s exclusive ownership of Franchisor’s trademarks. The Franchisee Parties must not, directly or indirectly, contest or impair Franchisor’s exclusive ownership of, and/or license with respect to, the Information, the System, or Franchisor’s trademarks.
- d) If the Franchise Agreement between Franchisee and Franchisor terminates, expires without renewal, or ends for any other reason, or upon Franchisor’s reasonable request, the Franchisee Parties must return to Franchisor all Information, and must not retain any copies in whatever form, including without limitation electronically stored information, or other reproductions, or extracts thereof, provided or prepared by Franchisor or the Franchisee Parties or any of their respective officers, managers, shareholders, members, directors, agents, employees, representatives, or consultants. The Franchisee Parties must

provide a certificate to Franchisor, in a form satisfactory to Franchisor, that all of the Information has in fact been returned and/or destroyed.

5) **Non-competition.**

- a) The Franchisee Parties acknowledge that the Information disclosed to the Franchisee Parties and all other aspects of Franchisor's System are highly valuable assets of Franchisor, and the Franchisee Parties agree that the Franchisee Parties, their affiliates, and the past, present, and future shareholders, officers, directors, members, managers, partners, owners, and investors of Franchisee and its affiliates must not, during the term of the Franchise Agreement: (a) engage in any activity in competition with Franchisor or its franchisees, including but not limited to involvement, whether as an owner (except ownership of no more than 1% of a publicly traded entity), director, officer, member, manager, employee, consultant, lender, representative or agent, or in any other capacity, or otherwise in any business that is involved, in whole or in part, in a Competing Business (except other Restaurants operated under franchise agreements entered into between a Franchisee Party or its affiliate and Franchisor), or in any business or entity that franchises, licenses, or otherwise grants to others the right to operate a Competing Business, without the prior written approval of Franchisor.
- b) On the termination, expiration, non-renewal, or any other end of the Franchise Agreement, for any reason whatsoever, the Franchisee Parties and their affiliates and the past, present, and future shareholders, officers, directors, members, managers, partners, owners, and investors of Franchisee and its affiliates must not, for a period of three (3) years commencing on the later of the effective date of termination, expiration, non-renewal, or any other end of the Franchise Agreement, or the date of any Court order enforcing this provision, directly or indirectly, engage in any activity in competition with Franchisor or its franchisees, including but not limited to involvement, whether as an owner (except for ownership of no more than 1% of a publicly traded entity), partner, director, officer, member, manager, employee, consultant, lender, representative, or agent, or in any other capacity in any business that is involved, in whole or in part, in a Competing Business (except other Restaurants operated under franchise agreements entered into between a Franchisee Party or its affiliate and Franchisor) or in any business or entity that franchises, licenses, or otherwise grants to others the right to operate a Competing Business within any Geographic Areas.
- c) The Franchisee Parties acknowledge and agree that if any of the Franchisee Parties violates the provisions of this Section 5 with respect to the operation of a Competing Business following expiration, termination, or any other end of the Franchise Agreement, then the period for which the prohibition stated therein will be extended until three (3) years following the date the Franchisee Parties cease all activities that are in violation of this Section 5.

- 6) **Effect of Agreement.** Franchisor's sole obligation under this Agreement is to provide the Confidential Information to the Franchisee Parties at the outset of the parties' business relationship so that the Franchisee Parties may open and operate the Franchise Business. Franchisor shall have no further obligations under this Agreement once Franchisor has

provided the Information to the Franchisee Parties. Nothing in this Agreement shall be construed to create any additional or continuing obligation of Franchisor after Franchisor initially provides the Confidential Information to the Franchisee Parties. The Franchisee Parties' obligations under this Agreement will continue in effect after termination, expiration, or any other end of the Franchise Agreement, regardless of the reason or reasons, whether such was voluntary or involuntary, and Franchisor is entitled to communicate the Franchisee Parties' obligations under this Agreement to any third party to the extent deemed necessary by Franchisor for protection of its rights.

- 7) **Reasonableness of Restrictions.** The Franchisee Parties have carefully considered the nature and extent of the restrictions upon the Franchisee Parties in this Agreement (including without limitation, the covenants not to compete, confidentiality restrictions, and the restrictions on assignment) and the rights and remedies conferred on all of the parties under this Agreement. The Franchisee Parties agree that these restrictions, rights, and remedies: (a) are reasonable, including, but not limited to, their term and geographic scope; (b) are designed to preclude competition which would be unfair to Franchisor and the Franchise System; (c) are fully required to protect Franchisor's legitimate business interests; and (d) do not confer benefits upon Franchisor that are disproportionate to the Franchisee Parties' detriment. The covenants not to compete in this Agreement are fair and reasonable and will not impose any undue hardship on the Franchisee Parties, since the Franchisee Parties have other considerable skills, experience, and education which afford the Franchisee Parties the opportunity to derive income from other endeavors. The Franchisee Parties acknowledge that each of the terms of this Agreement, including the restrictive covenants, are fair and reasonable and are reasonably required for the protection of Franchisor, Franchisor's Information, Franchisor's business system, its network of franchises, Franchisor's goodwill, and Franchisor's trade and service marks, and the Franchisee Parties waive any right to challenge these restrictions as being overly broad, unreasonable, or otherwise unenforceable. If, however, a court of competent jurisdiction determines that any such restriction is unreasonable or unenforceable, then the Franchisee Parties agree to submit to the reduction of any such activity, time period, or geographic restriction necessary to enable the court to enforce such restrictions to the fullest extent permitted under applicable law. It is the desire and intent of the Parties that the provisions of this Agreement will be enforced to the fullest extent permissible under the laws and public policies applied in any jurisdiction where enforcement is sought.
- 8) **Relief for Breaches of Confidentiality and Non-Competition.** The Franchisee Parties acknowledge that it will be difficult to measure the damages to Franchisor from any breach by a Franchisee Party of the covenants and restrictions in this Agreement, that the injury to Franchisor from any such breach would be incalculable and irremediable and the damages are not an alternative or an adequate remedy. The Franchisee Parties therefore agree that in the event any Franchisee Party breaches or attempts to breach any of the terms of this Agreement, Franchisor shall be entitled as a matter of right to obtain from any court of competent jurisdiction an injunction (i) prohibiting the breaching party from any further breaches of this Agreement; (ii) rescinding any action taken by the breaching party contrary to the terms of this Agreement; and (iii) authorizing Franchisor to recover from the breaching party any and all salaries, fees, commissions, income, profits or other remuneration or gain which the breaching party may have received or to which it may have become entitled to

receive from or by reason of the conducting of any activity in violation of the terms, conditions or covenants of this Agreement. The issuance of such an injunction will not prevent Franchisor from obtaining such other relief as is appropriate under the circumstances, such as the award of other monetary damages.

- 9) **Independent Contractor and Joint Employer Disclaimer.** The Franchisee Parties understand and agree that nothing in this Agreement may be construed to create a partnership, joint venture, agency or employment relationship of any kind between Franchisor or any of the Franchisee Parties. The parties agree that they will not represent that the relationship between Franchisor and the Franchisee Parties is other than that of franchisor and franchisee. Franchisor does not assume any liability, and will not be considered liable, for any agreements, representations, or warranties made by the Franchisee Parties unless expressly authorized under this Agreement. Franchisor will not be obligated for any damages to any person or property that directly or indirectly arises from or is related to the operation of the Franchise Business by the Franchisee Parties. The Franchisee Parties acknowledge and agree, and will never contend otherwise, that the Franchisee Parties alone will exercise day-to-day control over all operations, activities, and elements of the Franchise Business and that under no circumstance will Franchisor do so or be deemed to do so. The Franchisee Parties further acknowledge and agree, and will never contend otherwise, that the various requirements, restrictions, prohibitions, and covenants the Franchisee Parties are required to comply with under this Agreement do not directly or indirectly constitute, suggest, infer, or imply that Franchisor controls any aspect or element of the day-to-day operations of the Franchise Business. None of Franchisee Parties' employees nor the Franchisee Parties will be considered employees of Franchisor. Neither the Franchisee Parties nor any of Franchisee Parties' employees whose compensation Franchisee may pay in any way, directly or indirectly, expressly or by implication, will be construed to be an employee of Franchisor for any purpose, including, without limitation, with respect to any mandated or other insurance coverage, tax or contributions, or requirements pertaining to withholdings, levied or fixed by any local, state or federal governmental agency.
- 10) **Miscellaneous.**
- a) The parties agree that this Agreement shall become non-executory after Franchisor's disclosure of the Information.
 - b) This Agreement constitutes the entire agreement between the parties with respect to the subject matter hereof. This Agreement supersedes any prior agreements, negotiations and discussions between the parties. This Agreement cannot be altered or amended except by an agreement in writing signed by the duly authorized representatives of the parties.
 - c) Except to the extent governed by the United States Trademark Act of 1946 (Lanham Act; 15 U.S.C. § 1050 et. seq), as amended, this Agreement shall be governed by the laws of the state of Michigan (without reference to its conflict of laws principles). The parties agree, however, that if the Franchise Business is not located in Michigan, and if no Franchisee Party a resident of Michigan, the provisions of the Michigan Franchise

Investment Law and the regulations promulgated thereunder shall not apply to this Agreement.

- d) Any action brought by any party to this Agreement shall only be brought in the appropriate state or federal court located in or serving the county in which Franchisor's principal place of business is located at the time the litigation is commenced. The parties waive all questions of personal jurisdiction or venue for the purposes of carrying out this provision. Claims for injunctive relief may be brought by Franchisor where any Franchisee Party is located. This exclusive choice of jurisdiction and venue provision shall not restrict the ability of the parties to confirm or enforce judgments in any appropriate jurisdiction.
- e) If Franchisor is required to enforce this Agreement in any judicial or arbitration proceeding or any appeals, each Franchisee Party, jointly and severally, must reimburse Franchisor for its enforcement costs. Enforcement costs include actual accountants', attorneys', attorney's assistants', arbitrators' and expert witness fees, costs of investigation and proof of facts, court costs, arbitration filing fees, other litigation expenses and travel and living expenses, whether incurred prior to, in preparation for, or in contemplation of the filing of any written demand, claim, action, hearing or proceeding to enforce this Agreement.
- f) This Agreement will be effective as of the date this Agreement is executed and will be binding on the successors and assigns of the parties and will inure to the benefit of the parties and their respective successors and assigns. The Franchisee Parties may not assign this Agreement without the prior written consent of Franchisor. Franchisor may assign this Agreement without the prior consent of the Franchisee Parties.
- g) The failure to insist upon performance in any one (1) or more instances on non-performance of any terms, covenants, and conditions of this Agreement will not be construed a waiver of future performance of any such term, covenant, or condition of this Agreement, and the obligations of each party with respect thereto will continue in full force and effect.
- h) The paragraph headings in this Agreement are included solely for convenience and will not affect, or be used in connection with, the interpretation of this Agreement.
- i) The existence of any claim or cause of action a Franchisee Party might have against Franchisor will not constitute a defense to the enforcement by Franchisor of this Agreement.
- j) In the event any Section or portion of any Section in this Agreement is determined to be invalid or unenforceable for any reason(s), such invalidity or unenforceability will not affect the validity and enforceability of the remaining valid and enforceable Sections of this Agreement, which will be construed as if such invalid or unenforceable Section or Sections had not been inserted.

- k) Except as otherwise expressly provided in this Agreement, no remedy conferred upon the parties pursuant to this Agreement is intended to be exclusive of any other remedy, and each and every such remedy will be cumulative and will be in addition to every other remedy given pursuant to this Agreement or now or hereafter existing at law or in equity or by statute or otherwise. No single or partial exercise by any party to this Agreement of any right, power or remedy pursuant to this Agreement will preclude any other or further exercise thereof.

- l) This Agreement may be executed in any number of counterparts each of which when so executed will be an original, but all of which together will constitute one (1) and the same instrument. This Agreement may be executed on signature pages exchanged by electronic mail (including pdf or any electronic signature complying with the U.S. federal ESIGN Act of 2000, e.g., www.docusign.com) or other transmission method and any counterpart so delivered will be deemed to have been duly and validly delivered and be valid and effective for all purposes. Copies of executed counterparts transmitted by such electronic transmission service will be considered original executed counterparts for purposes of this Agreement.

THE FRANCHISEE PARTIES CERTIFY THAT THEY HAVE READ THIS AGREEMENT CAREFULLY AND UNDERSTAND AND ACCEPT THE OBLIGATIONS THAT IT IMPOSES WITHOUT RESERVATION. NO PROMISES OR REPRESENTATIONS HAVE BEEN MADE TO ANY FRANCHISEE PARTY TO INDUCE THE SIGNING OF THIS AGREEMENT.

The parties hereto have signed this Agreement on the date below their signatures.

FRANCHISEE:

COMPANY:
SAVVY SLIDERS FRANCHISE, LLC

By: _____
Its: _____

By: _____
Its: _____

Dated: _____

Dated: _____

OWNER:

Dated: _____

EXHIBIT C

ADDENDUM TO FRANCHISE AGREEMENT—RENEWAL

SAVVY SLIDERS FRANCHISE LLC
ADDENDUM TO FRANCHISE AGREEMENT—RENEWAL

THIS ADDENDUM is made effective the ____ day of _____, 20____, and modifies a Franchise Agreement effective on the same date (“Franchise Agreement”) entered into by SAVVY SLIDERS FRANCHISE LLC, a Michigan limited liability company (“Franchisor”) and _____ (“Franchisee”).

A. Introduction. Franchisor and Franchisee are parties to a franchise agreement dated _____, the term of which expired or will expire on _____, 20____ (“Old Agreement”). Franchisee desires to renew its franchise relationship with Franchisor and has signed a new franchise agreement to which this Renewal Addendum is attached (“Franchise Agreement”). Franchisor and Franchisee desire to amend the Franchise Agreement to reflect Franchisee’s status as an existing Franchisee renewing an ongoing relationship. All capitalized terms not otherwise defined in this Renewal Addendum will have the same meaning as in the Franchise Agreement.

B. Release of Franchisor. As a condition of renewal, Franchisee hereby releases and forever discharges Franchisor and its subsidiaries and affiliates and their respective officers, directors, shareholders, representatives, agents, members, managers and employees, in their corporate and individual capacities, from all liability, right, claim, debt and cause of action whatsoever, known or unknown, suspected or unsuspected, which Franchisee ever had, now has or may have at any time based on any agreement entered into between the parties on or before the date of this agreement, including but not limited to the Old Agreement, or based on any act or omission occurring on or before the date of this agreement.

C. Renovation and Modernization. As a condition to the renewal of the Franchise, Franchisee must complete the maintenance, renovation, remodeling, and/or additions or substitutions of equipment, furniture or fixtures specified below. These actions must be completed by _____, 20____.

D. Term and Option. Under the original franchise agreement between the parties, Franchisee was granted the option to remain a Franchisee for two additional periods of five years each after the expiration of the initial term under that franchise agreement. This Franchise Agreement is for the _____ *[first or second]* additional period under the original franchise agreement. The term of this Franchise Agreement will expire on _____, 20____. [Franchisee will have the option to remain a Franchisee for one additional period of five years after the term of this Franchise Agreement, subject to the conditions and requirements of Section 3.2 of the Franchise Agreement.] *or* [Franchisee will not have any options to remain a Franchisee for additional periods after the term of this Franchise Agreement.]

E. Renewal Fee. Franchisee is not required to pay the initial franchise fee specified in Section 4.1 of the Franchise Agreement. In lieu of the initial franchise fee, Franchisee must pay a renewal fee to Franchisor in the amount of _____ (\$ _____) Dollars. The renewal fee must be paid at or before the time of signing of the Franchise Agreement.

F. Franchisor’s Pre-Opening Obligations. Since the Franchise Business is already open, the Franchisor’s pre-opening obligations, as described in Article 5 of the Franchise Agreement, will not be applicable.

G. Location Approval and Development. Except as provided in Section C of this Addendum, Franchisor acknowledges that, for purposes of Sections 7.1 and 7.6 of the Franchise Agreement, the Franchise Location is approved by Franchisor and is currently developed in accordance with Franchisor’s specifications.

H. Opening. For purposes of Section 8.1 of the Franchise Agreement, Franchisee is obligated to keep the Franchise Business open so that there is no interruption in the operation of the Franchise Business.

I. Grand Opening Advertising. Franchisee is not required to spend an amount to conduct grand opening advertising under Section 9.1 of the Franchise Agreement.

J. Initial Training. Franchisor is not required to provide the initial training described in Section 10.1 of the Franchise Agreement.

K. Surviving Provisions of Old Agreement. Any provision in the Old Agreement, which by its terms or reasonable implication imposes an obligation to be performed, in whole or in part, after the expiration of the Old Agreement, will survive the termination or expiration of the Old Agreement and will remain in full force and effect, including, but not limited to indemnification obligations arising from acts or omissions occurring before expiration of the Old Agreement.

L. Legal Effect. Except as modified by this Addendum, the Franchise Agreement will remain in full force and effect and is incorporated in this Addendum by reference.

SAVVY SLIDERS FRANCHISE LLC

Franchisor

Franchisee

By: _____

By: _____

Its: _____

Its: _____

EXHIBIT D-1

ASSIGNMENT AND ASSUMPTION OF FRANCHISE AGREEMENT—TRANSFER

ASSIGNMENT AND ASSUMPTION OF FRANCHISE AGREEMENT—TRANSFER

THIS ASSIGNMENT is effective the ____ day of _____, 20__ and is made by _____, a _____, whose address is _____ ("Assignor"), _____, a _____, whose address is _____ ("Assignee"), and SAVVY SLIDERS FRANCHISE LLC, a Michigan limited liability company, whose address is 30955 Northwestern Highway, Suite 300, Farmington Hills, Michigan 48334 ("Franchisor").

1. Introduction. Franchisor entered into a franchise agreement with Assignor dated _____, 20__ ("Franchise Agreement"), whereby Assignor was granted a license to operate a Savvy Sliders™ Franchise at _____. Assignor has agreed to sell the assets of its Savvy Sliders™ Franchise business to Assignee and, in connection with that sale, desires to transfer all of its rights, title and interest in the Franchise Agreement to Assignee. Assignee wants to accept such transfer, but the Franchise Agreement permits such transfer only with the consent of Franchisor.

2. Assignment of Franchise. Assignor assigns and conveys all of its rights, title and interest in the Franchise Agreement to Assignee.

3. Acknowledgement of Receipt of Franchise Agreement. Assignee acknowledges receipt of a copy of the Franchise Agreement from Assignor.

4. Assumption of Franchise. Assignee assumes all of the terms, covenants and conditions as the Franchisee under the Franchise Agreement, agrees to be bound by said terms, covenants and conditions, and assumes full performance under the Franchise Agreement.

5. Assignor's Release of Franchisor. Assignor, on its own behalf and on behalf of its officers, directors and shareholders, releases and forever discharges Franchisor, its affiliates, and their respective officers, directors, shareholders, representatives, agents and employees, in their corporate and individual capacities, from all liability, right, claim, debt and cause of action whatsoever, known or unknown, suspected or unsuspected, which Assignor ever had, now has or may have at any time based on any agreement entered into between the parties on or before the date of this Assignment, including the Franchise Agreement, or based on any act or omission occurring on or before the date of this agreement.

6. Assignor's Continuing Obligations. As of the effective date of this Assignment, Assignor will not have any further rights under the Franchise Agreement. However, notwithstanding the assignment of the Franchise Agreement from Assignor to Assignee, Assignor will continue to have the following obligations to Franchisor under the Franchise Agreement:

(a) Assignor will be responsible to Franchisor for any obligations under the Franchise Agreement accruing on or before the effective date of this Assignment.

(b) Assignor will continue to be bound by the following provisions of the Franchise Agreement: (i) Article 6 relating to use and protection of the Trademarks; (ii) Section 8.15 relating to indemnification, but only with respect to liability relating to acts or omissions occurring on or before the effective date of this Assignment; (iii) Section Article 11 relating to confidentiality; (iv) Article 12 relating to restriction on competition; (v) Article 16 relating to dispute resolution; and (vi) any other obligations in this Agreement or any other agreements between the parties, which, by their terms or intent, survive termination or expiration of the Franchise Agreement.

7. Personal Guaranty of Assignee’s Owners. Assignee’s owners must personally guaranty Assignee’s obligations to Franchisor by signing a Personal Guaranty in the form attached to the Franchise Agreement as Appendix D.

8. Transfer Fee. Assignee must pay a transfer fee in the amount of \$ _____. The transfer fee is payable on signing of this Assignment and is not refundable.

9. Consent of Franchisor. Franchisor waives its right of first refusal to purchase Assignor’s Franchise Business and consents to the assignment of the Franchise Agreement to Assignee subject to the terms contained in this Assignment.

The parties have signed this Assignment on the dates set forth next to their signatures to be effective on the date set forth at the beginning of this Assignment.

ASSIGNOR:

Dated: _____

By: _____

Its: _____

ASSIGNEE:

Dated: _____

By: _____

Its: _____

FRANCHISOR:

SAVVY SLIDERS FRANCHISE LLC

Dated: _____

By: _____

Its: _____

EXHIBIT D-2

ADDENDUM TO FRANCHISE AGREEMENT—TRANSFER

SAVVY SLIDERS FRANCHISE LLC
ADDENDUM TO FRANCHISE AGREEMENT—TRANSFER

THIS ADDENDUM is made effective the _____ day of _____, 20____, and modifies a Franchise Agreement effective on the same date (“Franchise Agreement”) entered into by SAVVY SLIDERS FRANCHISE LLC, a Michigan limited liability company ("Franchisor") and _____, a _____ ("Franchisee").

A. Introduction. Franchisee has entered into an agreement (“Purchase Agreement”) to purchase the Savvy Sliders™ Restaurant franchise located at _____ (“Franchise”) from the current owner of the Franchise. In accordance with Franchisor’s transfer policies, Franchisor and Franchisee have entered into the Franchise Agreement to authorize Franchisee to operate the Franchise. Franchisor and Franchisee desire to amend the Franchise Agreement to reflect the fact that Franchisee is acquiring an open and operating Savvy Sliders™ Restaurant by transfer from an existing franchisee of Franchisor. All capitalized terms not otherwise defined in this Transfer Addendum will have the same meaning as in the Franchise Agreement.

B. Contingency; Date of Effectiveness of Franchise Agreement. The rights and obligations of the parties under the Franchise Agreement are contingent on: (1) Franchisee’s completion of Franchisor’s initial training program; and (2) the closing of the transaction under the Purchase Agreement and the transfer of possession and ownership of the Franchise to Franchisee. If these contingencies are not met by _____, 20____, the Franchise Agreement will be null and void. In that event Franchisor will have the right to retain the transfer fee paid by Franchisee and otherwise the parties will have no further rights or obligations to each other under the Franchise Agreement. If these contingencies are met by the date specified above in this Paragraph, then the Franchise Agreement will become effective on the date that Franchisee receives possession and ownership of the Franchise.

C. Renovation and Modernization. As a condition to the transfer of the Franchise, Franchisee must complete the maintenance, renovation, remodeling, and/or additions or substitutions of equipment, furniture or fixtures specified below. These actions must be completed by _____, 20____.

D. Term. Section 3.1 is modified to read as follows:

3.1 Term.

This Agreement will begin on the date of this Agreement and continue until _____, _____ unless sooner terminated as provided in this Agreement.

E. Transfer Fee. Franchisee is not required to pay the initial franchise fee specified in Section 4.1 of the Franchise Agreement. In lieu of the initial franchise fee, Franchisee must pay a transfer fee to Franchisor in the amount of _____ (\$ _____) Dollars. The transfer fee must be paid at or before the time of signing of the Franchise Agreement.

F. Franchisor's Pre-Opening Obligations. Since the Franchise Business is already open, the Franchisor's pre-opening obligations, as described in Article 5 of the Franchise Agreement (other than the obligation to provide an initial training program), will not be applicable.

G. Location Approval and Development. Except as provided in Section C of this Addendum, Franchisor acknowledges that, for purposes of Sections 7.1 and 7.6 of the Franchise Agreement, the Franchise Location is approved by Franchisor and is currently developed in accordance with Franchisor's specifications.

H. Opening. For purposes of Section 8.1 of the Franchise Agreement, Franchisee is obligated to open the Franchise Business immediately after the transfer so that there is no interruption in the operation of the Franchise Business.

I. Grand Opening Advertising. Franchisee is not required to spend an amount to conduct grand opening advertising under Section 9.1 of the Franchise Agreement.

J. Legal Effect. Except as modified by this Addendum, the Franchise Agreement will remain in full force and effect and is incorporated in this Addendum by reference.

SAVVY SLIDERS FRANCHISE LLC

Franchisor

Franchisee

By: _____

By: _____

Its: _____

Its: _____

EXHIBIT D-3

FRANCHISE TERMINATION AND RELEASE AGREEMENT—TRANSFER

SAVVY SLIDERS FRANCHISE LLC
FRANCHISE TERMINATION AND RELEASE AGREEMENT—TRANSFER

THIS AGREEMENT is effective the _____ day of _____, 20____, and is made between SAVVY SLIDERS FRANCHISE LLC, a Michigan limited liability company ("Franchisor") and _____ a _____ ("Franchisee").

1. Introduction. Franchisee and Franchisor are parties to a Franchise Agreement dated _____, 20____ ("Franchise Agreement"), for the operation of a Savvy Sliders™ franchise located at _____ ("Franchise"). Franchisee has entered into an agreement to sell the Franchise to a buyer approved by Franchisor ("Buyer"). Franchisor has waived its right of first refusal to purchase the Franchise and has approved the sale. In accordance with the Franchise Agreement, Franchisor and Franchisee are agreeing to terminate the Franchise Agreement so that Franchisor may enter into a new franchise agreement with the Buyer for the Franchise.

2. Termination of Franchise. Franchisor and Franchisee acknowledge and agree that the Franchise Agreement is terminated as of the effective date of this Agreement.

3. Release of Franchisor. As a condition to Franchisor's consent to the transfer of the Franchise to the Buyer, Franchisee hereby releases and forever discharges Franchisor and its subsidiaries and affiliates and their respective officers, directors, shareholders, representatives, agents, members, managers and employees, in their corporate and individual capacities, from all liability, right, claim, debt and cause of action whatsoever, known or unknown, suspected or unsuspected, which Franchisee ever had, now has or may have at any time based on any agreement entered into between the parties on or before the date of this agreement or based on any act or omission occurring on or before the date of this agreement.

4. Surviving Provisions of Franchise Agreement. The provisions of the Franchise Agreement that apply on termination or that by their express terms or intent survive termination, including, but not limited to, Section 4.15 relating to the Franchisor's rights to audit, the applicable provisions of Article 6 relating to ownership and protection of the trademarks, Section 8.15 relating to indemnification, Article 11 relating to confidential information, Article 12 relating to restrictions on competition, Article 15 relating to obligations of the Franchisee on termination, Article 16 relating to dispute resolution, and Section 19.5 relating to notices, will survive the termination of the Franchise Agreement and will remain in full force and effect.

5. Costs of Enforcement. Franchisee agrees to pay all costs incurred by Franchisor in enforcing the provisions of this Agreement, including, but not limited to, reasonable attorney fees.

6. Legal Effect. This Agreement contains the entire agreement between the parties and is binding on the heirs, devisees, successors or assigns of the parties. This Agreement will be interpreted and construed under the laws of Michigan, without reference to the conflict of laws provisions. Any action brought by Franchisee (or Franchisee's owners) against Franchisor

or Franchisor’s affiliates or their respective owners, officers, directors, managers, agents or employees, must be brought exclusively, and any action brought by Franchisor against Franchisee (or Franchisee’s owners) may be brought, in the federal district court covering the location at which Franchisor has its principal place of business at the time the action is commenced; provided, however, that if the federal court would not have subject matter jurisdiction had the action been commenced in such court, then, in such event, the action must (with respect to actions commenced by Franchisee), and may (with respect to actions commenced by Franchisor), be brought in the state court within the judicial district in which Franchisor has its principal place of business at the time the action is commenced. The parties waive all questions of personal jurisdiction or venue for the purpose of carrying out this provision. Neither party will seek a transfer or change in venue from a venue established or authorized in this Section or elsewhere in this Agreement.

The parties have signed this Agreement on the dates set forth below their signatures, to be effective as of the date set forth at the beginning of this Agreement.

SAVVY SLIDERS FRANCHISE LLC

Franchisor

Franchisee

By: _____

By: _____

Its: _____

Its: _____

Dated: _____

Dated: _____

EXHIBIT E

ADDENDUM TO FRANCHISE AGREEMENT FOR CO-BRANDED RESTAURANT

SAVVY SLIDERS FRANCHISE LLC
ADDENDUM TO FRANCHISE AGREEMENT FOR CO-BRANDED RESTAURANT

THIS ADDENDUM is made the ____ day of _____, 20__, and amends a Franchise Agreement dated the ____ day of _____, 20__ ("Franchise Agreement") entered into by SAVVY SLIDERS FRANCHISE LLC, a Michigan limited liability company ("Franchisor") and _____, a _____ ("Franchisee").

1. Introduction. The Franchise Agreement authorizes Franchisee to operate a Savvy Sliders Restaurant franchise (the "Franchise Business") at a specified location (the "Franchise Location"). Franchisee or an affiliate of Franchisee has also entered into an agreement with Fat Boy's Pizza Franchise LLC ("FBPF") to develop and operate a business under the Fat Boy's Pizza trademarks and systems (the "Fat Boy's Pizza Restaurant"). Franchisee has requested authorization from Franchisor to operate the Franchise Business at a Franchise Location that will be shared with the Fat Boy's Pizza Restaurant (a "Co-Brand Location"). Franchisor is willing to amend the Franchise Agreement to grant this authorization on the terms and conditions contained in this Addendum.

Accordingly, in consideration of the mutual covenants contained in this Addendum and the Franchise Agreement and other consideration, the receipt and sufficiency of which are acknowledged, the parties agree to amend the Franchise Agreement in the manner provided in this Addendum.

2. Authorization. Franchisor authorizes Franchisee to operate the Franchise Business from the Co-Brand Location, subject to the terms and conditions contained in this Addendum, the Franchise Agreement, and Franchisor's policies and procedures relating to the operation of a Savvy Sliders Restaurant franchise at a Co-Brand Location. This authorization only applies to the Co-Brand Location and is further subject to Franchisee entering into a franchise or other agreement with FBPF, obtaining any necessary approvals from the landlord of the Co-Brand Location, and obtaining any applicable governmental licenses and approvals.

3. Acknowledgments. Franchisee represents that it has requested authorization to operate the Franchise Business at the Co-Brand Location based solely on its desire to pursue this opportunity. Franchisee acknowledges that: (a) Franchisor has not requested that Franchisee pursue this opportunity; (b) Franchisor has not made any representations concerning the viability of this opportunity; and (c) Franchisor does not have prototype plans or procedures for adapting a Franchise Location to host the Fat Boy's Pizza Restaurant or to add the Franchise Business to the location of the Fat Boy's Pizza Restaurant.

4. Development and Operation of Co-Brand Location. In addition to and not in any way a limitation on the rights of Franchisor as provided in the Franchise Agreement, Franchisee agrees as follows:

(a) Approval of Plans. Franchisee must obtain Franchisor's prior written approval of all plans and drawings relating to placement, development, construction, or remodeling of the Co-Brand Location to accommodate the Franchise Business and/or the

Fat Boy's Pizza Restaurant before proceeding with any required government approvals and any construction or remodeling of the Co-Brand Location.

(b) Approval of Signage. Franchisee must obtain Franchisor's prior written approval of all interior and exterior signage and point of purchase marketing materials relating to the Franchise Business and the Fat Boy's Pizza Restaurant at the Co-Brand Location.

(c) Co-Branding. Franchisee acknowledges and agrees that, since the Co-Brand Location will house the Franchise Business and the Fat Boy's Pizza Restaurant, the signage, build-out, décor, equipment set-up, counter set-up, POS system(s), staffing, uniforms, etc. to be utilized at the Co-Brand Location must be in accordance with the specifications of Franchisor and FBPF and must be approved in advance in writing by Franchisor and FBPF.

(d) Policies and Procedures. Franchisor has the right to specify policies, regulations, procedures, and standards of operation relating to the development and operation of a Savvy Sliders Restaurant at a Co-Brand Location (that may be different than policies, regulation, procedures, and standards for Savvy Sliders Restaurants that are not operated at Co-Brand Locations) and Franchisee must comply with any such policies, regulations, procedures, and standards on written notice from Franchisor.

(e) Products and Services. Franchisee must not sell any of the products and services of the Franchise Business at or from the Fat Boy's Pizza Restaurant.

(f) POS System. Franchisor and Franchisee acknowledge that the Franchise Business and the Fat Boy's Pizza Restaurant will share the same POS System. The POS System is designed to separately account for sales by the Franchise Business and the Fat Boy's Pizza Restaurant. Franchisor and Franchisee acknowledge that errors, problems, mistakes, etc. may occur in the POS System's allocation and reporting of sales and agree to work cooperatively, diligently, and reasonably to correct any errors, problems, or mistakes in the POS System.

(g) Inspection and Audit. Franchisor's rights to inspect and audit the Franchise Business will include the right to inspect and audit the Fat Boy's Pizza Restaurant to the extent necessary to ensure compliance with the terms and conditions of this Addendum and the Franchise Agreement.

5. Term. This Addendum will begin on the effective date noted at the beginning of this Addendum and will continue for and during the term of the Franchise Agreement or until the Franchise Agreement is terminated, if sooner. Franchisee acknowledges that the authorization contained in this Addendum is limited and that Franchisor is under no obligation to continue the authorization after expiration of the term of the Franchise Agreement or after termination of the Franchise Agreement. Any decision to continue the authorization contained in this Addendum will be made in the sole discretion of Franchisor.

6. Termination. A default by Franchisee of its obligations under this Addendum will constitute a default by Franchisee under the Franchise Agreement. If Franchisee is in default of its

obligations under this Addendum, Franchisor may choose to terminate this Addendum only (in accordance with the termination provisions of the Franchise Agreement) without terminating Franchisee's other rights and obligations under the Franchise Agreement. On termination or expiration of this Addendum, all rights of Franchisee under this Addendum will cease unless those rights are granted by other agreements or by other policies of Franchisor.

7. **Legal Effect.** Any terms defined in the Franchise Agreement will have the same meaning in this Addendum unless expressly stated otherwise. This Addendum and any rights of Franchisee under this Addendum will terminate on expiration or termination of the Franchise Agreement. The rights of Franchisee under this Addendum are not transferable to any other party without the consent of Franchisor. Except as modified by this Addendum, the Franchise Agreement will remain in full force and effect and is incorporated in this Addendum by reference.

The parties have signed this Addendum on the dates below their signatures to be effective on the date at the beginning of this Addendum.

SAVVY SLIDERS FRANCHISE LLC

By: _____

By: _____

Its: _____

Its: _____

Dated: _____

Dated: _____

EXHIBIT F
LEASE ADDENDUM

**ADDENDUM TO
LEASE AGREEMENT DATED _____, 20__ BETWEEN
_____, LANDLORD AND
_____, TENANT**

THE LEASE is amended as follows:

Rights and Option of Savvy Sliders Franchise LLC; Use of Premises. In consideration of the Agreement of Savvy Sliders Franchise LLC ("Franchisor") to enter into a Franchise Agreement with Tenant ("Franchise Agreement") for a business to be established at the leased premises ("Leased Premises"), the following provisions will apply to the Lease:

A. Landlord and Tenant grant to Franchisor, or its designee, the exclusive right, exercisable at the option of Franchisor, to be assigned all right, title and interest of Tenant in and to the Lease and the Leased Premises on the termination or breach of the Franchise Agreement, a breach of the Lease, the sale, transfer or assignment of the business licensed pursuant to the Franchise Agreement, or on cessation of use of the Leased Premises for a Savvy Sliders™ Restaurant business. On the giving of notice of exercise by Franchisor, the Lease, and all right, title and interest of Tenant under the lease and to the Leased Premises will be automatically, and without need of further instrument, assigned to Franchisor, or its designee, and Franchisor, or its designee, will assume all of the obligations designated under the Lease after the date of the assignment. Landlord and Tenant agree to execute documents confirming this assignment in the form presented by Franchisor, including a Memorandum of Lease in recordable form.

B. Landlord and Tenant grant to Franchisor the right to enter the Leased Premises to inspect and audit the Tenant's business or to make any modifications necessary to protect the Franchisor Trademarks.

C. Landlord and Tenant must give Franchisor thirty (30) days prior written notice: (i) prior to declaring a default of the Lease and/or exercising any rights or remedies under the Lease; (ii) the cancellation or termination of the Lease prior to the expiration date of the Lease; (iii) an assignment of attempted assignment of the Lease by the Landlord or Tenant; (iv) the sublease or attempted sublease of the Leased Premises by the Tenant; and (v) any modification or amendment of the Lease.

D. If the Lease with Tenant is terminated, Franchisor shall have the right of first refusal to lease the Leased Premises on terms and conditions which a bona fide third party is willing to lease the Leased Premises. Landlord shall provide Franchisor with a copy of the proposed lease with a bona fide tenant and Franchisor or its assignees shall have ten (10) days to match the offer.

E. All notices sent to Franchisor pursuant to this Addendum to Lease must be sent by certified or registered mail, return receipt requested, to the following address, or to such other address as to which Franchisor has notified the Landlord and the Tenant:

Savvy Sliders Franchise LLC
30955 Northwestern Highway, Suite 300
Farmington Hills, Michigan 48334

With a copy to:

Paul S. Miller, Esq.
Schmidt, Isgrigg, Anderson & Miller
2745 Pontiac Lake Road
Waterford, Michigan 48328
Phone: (248) 682-8800
Fax: (248) 682-0378

Dated this _____ day of _____, 20__.

LANDLORD:

TENANT:

By: _____

By: _____

Its: _____

Its: _____

EXHIBIT G

TABLE OF CONTENTS OF OPERATIONS MANUAL



Savvy Sliders Operations Manual

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EXHIBIT H

CONFIDENTIALITY AND NON-COMPETITION AGREEMENT

SAVVY SLIDERS FRANCHISE SYSTEM
CONFIDENTIALITY AND NON-COMPETITION AGREEMENT
(management employee)

I am an employee or trainee of _____ (the "Company"). The Company operates or is developing a Savvy Sliders Restaurant franchise under a Franchise Agreement between the Company and Savvy Sliders Franchise, LLC (the "Franchisor").

As an employee or trainee of the Company, I acknowledge that in the course of my employment by the Company and my training in the Savvy Sliders systems of operation, I will have access to certain Confidential Information, as defined below, about the Company's and the Franchisor's methods of establishing, developing, operating and maintaining Savvy Sliders Restaurants that is confidential and not available to the public in general. I understand that the Company and the Franchisor have spent a great deal of time and money developing this Confidential Information and I acknowledge that the Company's and the Franchisor's reasonable competitive business interests would be severely and irreparably damaged if the Confidential Information that has been (or may be) revealed to me were to be disclosed to any third person, become available to the public in general, or used by me to compete with the Company or the Franchisor or any of its affiliates or franchisees. I, therefore, agree that the Company and the Franchisor have a need to protect the Company's and the Franchisor's valuable Confidential Information and I agree that in consideration of these factors, and in consideration of my employment or continuing employment with the Company and/or my training in the Savvy Sliders systems of operation, I promise and agree to be bound by the terms of this Agreement as follows:

1. I agree not to directly or indirectly disclose to any individual, partnership, corporation, limited liability company or any other entity ("person") or to use myself, any Confidential Information that I learn during my training and/or employment with the Company, except as necessary in the course of my employment with the Company. I agree that these restrictions will apply while I am in training and/or am employed by the Company and indefinitely after my training and/or employment is completed or ends or my employment terminates or ends for any reason.

I agree to, at all times, keep the Confidential Information strictly confidential and use my best efforts to maintain the secrecy of the Confidential Information. In particular, I will, at all times, keep all tangible forms of the Confidential Information that I have been entrusted with in a secure work area and safely locked away when not in use and will ensure that these items do not fall into the hands of unauthorized persons.

I also agree that if my training ceases without my being employed by the Company or my employment with the Company terminates, or ends for any reason, I will immediately return to the Company or the Franchisor, all memoranda, notes and other electronic, written, or printed information that is in my possession or under my control, which contains Confidential Information, including information, which although not confidential, belongs to the Company or the Franchisor or relates to the business or systems of the Company or the Franchisor. This obligation will apply

regardless of whether the information was prepared by me, the Company, the Franchisor, or a third party.

The term "Confidential Information" as used in this Agreement includes, but is not limited to, (i) "proprietary information," including but not limited to, recipes, techniques, processes, equipment, materials, computer programs or information, whether patentable or not, relating to the establishment, development, operation and maintenance of the Company's business or a Savvy Sliders Restaurant and all related information and all other information which is confidential, unique and/or not generally known or available to the public, including but not limited to, information regarding the Company's or the Franchisor's methods, equipment and materials relating to the development and operation of a Savvy Sliders Restaurant; (ii) "trade secret" information which includes any knowledge, ideas, concepts, recipes, techniques, computer programs, systems manuals, installation guides, reports, technical manuals, operation manuals, and training programs relating to the establishment, development, operation and maintenance of the Company's business or a Savvy Sliders; (iii) "customer information" which includes information about current and prospective customers of the Company or the Franchisor, including any list that contains the names, addresses and telephone numbers, and other contact information of the Company's or the Franchisor's employees and/or current or prospective customers, and specific information about these customers or prospective customers; and (iv) "supplier information" which includes information about current and prospective carriers, suppliers, vendors, agencies or providers of the Company or the Franchisor, including the names, addresses and telephone numbers of any such suppliers and the terms of any contracts or arrangements between the Company or the Franchisor and such suppliers.

2. I will not, while I am in training or while I am employed by the Company, nor within two (2) years of the date that training ceases without my being employed by the Company or the date of termination of my employment by the Company, for any reason whatsoever, directly or indirectly:

(a) engage in any business within five (5) miles of any Savvy Sliders Restaurant that is in competition with the Franchisor or the Company, either directly or indirectly, as principal, agent on behalf of others, jointly with others, or as a stockholder, partner, director, officer, independent contractor, employee or advisor of or to any company, sole proprietorship, joint stock association, partnership, joint venture, individual person or any other entity that is capable of engaging in a competitive business (collectively a "Person"); or

(b) have a financial interest in, or aid or assist, financially or otherwise (as a lender, stockholder, or otherwise), any Person who is engaged in a business that is in competition with the Company or Franchisor within five (5) miles of any Savvy Sliders Restaurant;

I also agree that I will not maliciously disparage or otherwise make harmful or unfavorable statements regarding the Company or the Franchisor or any of its services, operations, processes or methods to anyone else.

3. Pursuant to the federal Defend Trade Secrets Act of 2016, I have been notified and understand that I will not be held criminally or civilly liable under any federal or state trade secrets law for the disclosure of a trade secret that: (i) is made in confidence to a federal, state, or local

government official, either directly or indirectly, or to an attorney, solely for the purpose of reporting or investigating a suspected violation of law; or (ii) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal.

4. I understand that the Franchisor is the exclusive owner of all rights relating to the Savvy Sliders systems and I agree that as a condition of my training and/or employment by the Company, the Franchisor has the exclusive rights to all ideas, improvements and innovations relating to a Savvy Sliders Restaurant business, which I conceive, develop or help develop during my training and/or employment.

5. I understand that the Company is an independently owned and operated Savvy Sliders Restaurant franchisee and is my sole employer and solely responsible for the terms and conditions of my employment and my compensation. I further understand that the Franchisor is not directly or indirectly my employer, and that the Franchisor is granted rights under this Agreement solely for the purpose of protecting the Savvy Sliders systems and brand.

6. My obligations under this Agreement will be binding on me and my heirs and personal representatives and will inure to the benefit of the Company and the Franchisor and their successors and assigns. My obligations arising out of this Agreement are in addition to and are not in any manner limitations on all obligations not to use or disclose the Company's or the Franchisor's Confidential Information as provided by law, whether expressly or by implication.

7. I acknowledge that my breach of this Agreement will cause the Company and/or Franchisor irreparable harm. I, therefore, agree that the Company will be entitled to an injunction enjoining me and restraining me from performing and continuing to commit any violation or breach of this Agreement, in addition to any other rights and remedies it might have. Also, the Company will be entitled to recover all costs and expenses from me, including actual attorneys' fees and costs incurred in enforcing this Agreement. These remedies are cumulative and not alternative and will be in addition to every remedy given under this Agreement, any other agreement between me and the Company, or now or later existing at law or in equity, by statute or otherwise. The election of one or more remedies will not constitute a waiver of any right to pursue other remedies.

8. I agree that Franchisor is a third-party beneficiary of this Agreement and has the right independently of the Company to enforce the provisions of this Agreement.

9. I acknowledge and agree that the restrictions, rights, and remedies contained in this Agreement are reasonable, valid, and enforceable. However, if a court of competent jurisdiction finds any of the provisions of this Agreement to be too broad to be enforceable, such provision will be reduced in scope by the court only to the extent deemed necessary by that court to render the provision reasonable and enforceable, bearing in mind that the purpose of this Agreement is to provide the broadest possible protection against disclosure of the Confidential Information.

10. I have had an opportunity to review all the terms of this Agreement with my attorney and/or advisors and have read, understand and voluntarily accept all the terms of this Agreement.

11. I agree that any litigation will only be conducted on an individual, not a class-wide basis, and that a litigation proceeding between me and the Company or the Franchisor may not be consolidated with any other litigation proceeding between me and the Company or the Franchisor and any other person, corporation, limited liability company, partnership or other entity. I waive, to the fullest extent allowed by law, any right to pursue or participate as a lead plaintiff or a class representative in any claim on a class or consolidated basis.

12. AFTER CONSULTING WITH MY ATTORNEY OR HAVING THE OPPORTUNITY TO DO SO, I KNOWINGLY, VOLUNTARILY, AND INTENTIONALLY (AND WITHOUT DURESS OR COERCION) WAIVE ANY RIGHT I MAY HAVE TO A TRIAL BY JURY IN ANY LITIGATION BASED ON OR ARISING OUT OF THIS AGREEMENT OR BASED ON ANY COURSE OF CONDUCT, DEALING, STATEMENTS (WHETHER ORAL OR WRITTEN) OR ACTION RELATING TO THIS AGREEMENT. I WILL NOT SEEK TO CONSOLIDATE, BY COUNTERCLAIM OR OTHERWISE, ANY SUCH ACTION IN WHICH A JURY TRIAL HAS BEEN WAIVED WITH ANY OTHER ACTION IN WHICH A JURY TRIAL CANNOT BE OR HAS NOT BEEN WAIVED. THESE PROVISIONS WILL NOT BE DEEMED TO HAVE BEEN MODIFIED IN ANY RESPECT OR RELINQUISHED BY ME OR THE COMPANY EXCEPT BY A WRITTEN INSTRUMENT EXECUTED BY ME AND THE COMPANY.

13. I AGREE THAT THIS AGREEMENT WILL BE GOVERNED BY AND CONSTRUED AND ENFORCED IN ACCORDANCE WITH THE LAWS OF THE STATE OF MICHIGAN (WITHOUT REFERENCE TO THE CONFLICT OF LAWS PROVISIONS). I IRREVOCABLY SUBMIT MYSELF TO THE JURISDICTION OF THE STATE COURTS OF MICHIGAN AND TO THE FEDERAL DISTRICT COURT FOR THE EASTERN DISTRICT OF MICHIGAN. I WAIVE ALL QUESTIONS OF PERSONAL JURISDICTION OR VENUE FOR THE PURPOSE OF CARRYING OUT THIS PROVISION. I AGREE THAT SERVICE OF PROCESS MAY BE MADE ON ME IN ANY PROCEEDING RELATING TO OR ARISING UNDER THIS AGREEMENT OR MY RELATIONSHIP WITH THE COMPANY BY ANY MEANS ALLOWED BY MICHIGAN OR FEDERAL LAW. I FURTHER AGREE THAT VENUE FOR ANY PROCEEDING RELATING TO OR ARISING OUT OF THIS AGREEMENT WILL BE THE STATE COURTS IN MICHIGAN OR THE FEDERAL DISTRICT COURT FOR THE EASTERN DISTRICT OF MICHIGAN; PROVIDED, HOWEVER, WITH RESPECT TO ANY ACTION THAT INCLUDES INJUNCTIVE RELIEF OR OTHER EXTRAORDINARY RELIEF, THE COMPANY OR THE FRANCHISOR MAY BRING SUCH ACTION IN ANY COURT IN ANY STATE THAT HAS JURISDICTION.

Signature of Employee/Trainee

ACCEPTED:

Type or Print Employee/Trainee Name

The Franchisor or the Company

Dated: _____

By: _____

Its: _____

Dated: _____

CONFIDENTIALITY AGREEMENT

(rank and file employee)

I am an employee or trainee of _____
(the "Company"). The Company operates or is developing a Savvy Sliders Restaurant franchise under a Franchise Agreement between the Company and Savvy Sliders Franchise, LLC (the "Franchisor").

As an employee or trainee of the Company, I acknowledge that in the course of my employment by the Company and my training in the Savvy Sliders systems of operation, I will have access to certain Confidential Information, as defined below, about the Company's and the Franchisor's methods of establishing, developing, operating and maintaining Savvy Sliders Restaurants that is confidential and not available to the public in general. I understand that the Company and the Franchisor have spent a great deal of time and money developing this Confidential Information and I acknowledge that the Company's and the Franchisor's reasonable competitive business interests would be severely and irreparably damaged if the Confidential Information that has been (or may be) revealed to me were to be disclosed to any third person, become available to the public in general, or used by me to compete with the Company or the Franchisor or any of its affiliates or franchisees. I, therefore, agree that the Company and the Franchisor have a need to protect the Company's and the Franchisor's valuable Confidential Information and I agree that in consideration of these factors, and in consideration of my employment or continuing employment with the Company and/or my training in the Savvy Sliders systems of operation, I promise and agree to be bound by the terms of this Agreement as follows:

1. I agree not to directly or indirectly disclose to any individual, partnership, corporation, limited liability company or any other entity ("person") or to use myself, any Confidential Information that I learn during my training and/or employment with the Company, except as necessary in the course of my employment with the Company. I agree that these restrictions will apply while I am in training and/or am employed by the Company and indefinitely after my training and/or employment is completed or ends or my employment terminates or ends for any reason.

I agree to, at all times, keep the Confidential Information strictly confidential and use my best efforts to maintain the secrecy of the Confidential Information. In particular, I will, at all times, keep all tangible forms of the Confidential Information that I have been entrusted with in a secure work area and safely locked away when not in use and will ensure that these items do not fall into the hands of unauthorized persons.

I also agree that if my training ceases without my being employed by the Company or my employment with the Company terminates, or ends for any reason, I will immediately return to the Company or the Franchisor, all memoranda, notes and other electronic, written, or printed information that is in my possession or under my control, which contains Confidential Information, including information, which although not confidential, belongs to the Company or the Franchisor or relates to the business or systems of the Company or the Franchisor. This obligation will apply regardless of whether the information was prepared by me, the Company, the Franchisor, or a third party.

The term "Confidential Information" as used in this Agreement includes, but is not limited to, (i) "proprietary information," including but not limited to, recipes, techniques, processes, equipment, materials, computer programs or information, whether patentable or not, relating to the establishment, development, operation and maintenance of the Company's business or a Savvy Sliders Restaurant and all related information and all other information which is confidential, unique and/or not generally known or available to the public, including but not limited to, information regarding the Company's or the Franchisor's methods, equipment and materials relating to the development and operation of a Savvy Sliders Restaurant; (ii) "trade secret" information which includes any knowledge, ideas, concepts, recipes, techniques, computer programs, systems manuals, installation guides, reports, technical manuals, operation manuals, and training programs relating to the establishment, development, operation and maintenance of the Company's business or a Savvy Sliders Restaurant; (iii) "customer information" which includes information about current and prospective customers of the Company or the Franchisor, including any list that contains the names, addresses and telephone numbers, and other contact information of the Company's or the Franchisor's employees and/or current or prospective customers, and specific information about these customers or prospective customers; and (iv) "supplier information" which includes information about current and prospective carriers, suppliers, vendors, agencies or providers of the Company or the Franchisor, including the names, addresses and telephone numbers of any such suppliers and the terms of any contracts or arrangements between the Company or the Franchisor and such suppliers.

2. Pursuant to the federal Defend Trade Secrets Act of 2016, I have been notified and understand that I will not be held criminally or civilly liable under any federal or state trade secrets law for the disclosure of a trade secret that: (i) is made in confidence to a federal, state, or local government official, either directly or indirectly, or to an attorney, solely for the purpose of reporting or investigating a suspected violation of law; or (ii) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal.

3. I understand that the Franchisor is the exclusive owner of all rights relating to the Savvy Sliders systems and I agree that as a condition of my training and/or employment by the Company, the Franchisor has the exclusive rights to all ideas, improvements and innovations relating to a Savvy Sliders Restaurant business, which I conceive, develop or help develop during my training and/or employment.

4. I understand that the Company is an independently owned and operated Savvy Sliders Restaurant franchisee and is my sole employer and solely responsible for the terms and conditions of my employment and my compensation. I further understand that the Franchisor is not directly or indirectly my employer, and that the Franchisor is granted rights under this Agreement solely for the purpose of protecting the Savvy Sliders systems and brand.

5. My obligations under this Agreement will be binding on me and my heirs and personal representatives and will inure to the benefit of the Company and the Franchisor and their successors and assigns. My obligations arising out of this Agreement are in addition to and are not in any manner limitations on all obligations not to use or disclose the Company's or the Franchisor's Confidential Information as provided by law, whether expressly or by implication.

6. I acknowledge that my breach of this Agreement will cause the Company and/or Franchisor irreparable harm. I, therefore, agree that the Company will be entitled to an injunction enjoining me and restraining me from performing and continuing to commit any violation or breach of this Agreement, in addition to any other rights and remedies it might have. Also, the Company will be entitled to recover all costs and expenses from me, including actual attorneys' fees and costs incurred in enforcing this Agreement. These remedies are cumulative and not alternative and will be in addition to every remedy given under this Agreement, any other agreement between me and the Company, or now or later existing at law or in equity, by statute or otherwise. The election of one or more remedies will not constitute a waiver of any right to pursue other remedies.

7. I agree that Franchisor is a third-party beneficiary of this Agreement and has the right independently of the Company to enforce the provisions of this Agreement.

8. I acknowledge and agree that the restrictions, rights, and remedies contained in this Agreement are reasonable, valid, and enforceable. However, if a court of competent jurisdiction finds any of the provisions of this Agreement to be too broad to be enforceable, such provision will be reduced in scope by the court only to the extent deemed necessary by that court to render the provision reasonable and enforceable, bearing in mind that the purpose of this Agreement is to provide the broadest possible protection against disclosure of the Confidential Information.

9. I have had an opportunity to review all the terms of this Agreement with my attorney and/or advisors and have read, understand and voluntarily accept all the terms of this Agreement.

10. I agree that any litigation will only be conducted on an individual, not a class-wide basis, and that a litigation proceeding between me and the Company or the Franchisor may not be consolidated with any other litigation proceeding between me and the Company or the Franchisor and any other person, corporation, limited liability company, partnership or other entity. I waive, to the fullest extent allowed by law, any right to pursue or participate as a lead plaintiff or a class representative in any claim on a class or consolidated basis.

11. AFTER CONSULTING WITH MY ATTORNEY OR HAVING THE OPPORTUNITY TO DO SO, I KNOWINGLY, VOLUNTARILY, AND INTENTIONALLY (AND WITHOUT DURESS OR COERCION) WAIVE ANY RIGHT I MAY HAVE TO A TRIAL BY JURY IN ANY LITIGATION BASED ON OR ARISING OUT OF THIS AGREEMENT OR BASED ON ANY COURSE OF CONDUCT, DEALING, STATEMENTS (WHETHER ORAL OR WRITTEN) OR ACTION RELATING TO THIS AGREEMENT. I WILL NOT SEEK TO CONSOLIDATE, BY COUNTERCLAIM OR OTHERWISE, ANY SUCH ACTION IN WHICH A JURY TRIAL HAS BEEN WAIVED WITH ANY OTHER ACTION IN WHICH A JURY TRIAL CANNOT BE OR HAS NOT BEEN WAIVED. THESE PROVISIONS WILL NOT BE DEEMED TO HAVE BEEN MODIFIED IN ANY RESPECT OR RELINQUISHED BY ME OR THE COMPANY EXCEPT BY A WRITTEN INSTRUMENT EXECUTED BY ME AND THE COMPANY.

12. I AGREE THAT THIS AGREEMENT WILL BE GOVERNED BY AND CONSTRUED AND ENFORCED IN ACCORDANCE WITH THE LAWS OF THE STATE OF

MICHIGAN (WITHOUT REFERENCE TO THE CONFLICT OF LAWS PROVISIONS). I IRREVOCABLY SUBMIT MYSELF TO THE JURISDICTION OF THE STATE COURTS OF MICHIGAN AND TO THE FEDERAL DISTRICT COURT FOR THE EASTERN DISTRICT OF MICHIGAN. I WAIVE ALL QUESTIONS OF PERSONAL JURISDICTION OR VENUE FOR THE PURPOSE OF CARRYING OUT THIS PROVISION. I AGREE THAT SERVICE OF PROCESS MAY BE MADE ON ME IN ANY PROCEEDING RELATING TO OR ARISING UNDER THIS AGREEMENT OR MY RELATIONSHIP WITH THE COMPANY BY ANY MEANS ALLOWED BY MICHIGAN OR FEDERAL LAW. I FURTHER AGREE THAT VENUE FOR ANY PROCEEDING RELATING TO OR ARISING OUT OF THIS AGREEMENT WILL BE THE STATE COURTS IN MICHIGAN OR THE FEDERAL DISTRICT COURT FOR THE EASTERN DISTRICT OF MICHIGAN; PROVIDED, HOWEVER, WITH RESPECT TO ANY ACTION THAT INCLUDES INJUNCTIVE RELIEF OR OTHER EXTRAORDINARY RELIEF, THE COMPANY OR THE FRANCHISOR MAY BRING SUCH ACTION IN ANY COURT IN ANY STATE THAT HAS JURISDICTION.

Signature of Employee/Trainee

ACCEPTED:

Type or Print Employee/Trainee Name

The Company

Dated: _____

By: _____

Its: _____

Dated: _____

EXHIBIT I

LIST OF SAVVY SLIDERS® FRANCHISEES AND RESTAURANTS

Entity Name	Address	City	State	Zip	Phone	Opened
Tamarac FL #300 LLC	2400 W Commercial Blvd Ste 1	Tamarac	FL	33309	954-493-0000	9/11/2023
Michael Bauer	2004 N Lebanon Street	Lebanon	IN	46052	765-337-2941	Opening in 2024
R & S II Trading LLC	4000 Baldwin Road	Auburn Hills	MI	48326	248-497-9555	3/15/2023
Midtown SS #212 LLC	4650 Woodward Avenue	Detroit	MI	48201	313-946-1111	2/15/2022
Livernois SS #220 LLC	14350 Livernois Avenue	Detroit	MI	48238	313-398-2222	7/13/2022
SS #221 East Jefferson LLC	13320 E Jefferson Avenue	Detroit	MI	48215	586-477-5447	Opening in 2024
Mickeys SS Farmington Inc	22420 Farmington Road	Farmington	MI	48336	248-256-5555	10/3/2023
Farmington Halstead SS #225 LLC	37555 West Twelve Mile Road	Farmington Hills	MI	48331	248-396-1111	1/3/2023
Ferndale Solycy SS #217 LLC	1100 West 9 Mile Road	Ferndale	MI	48220	248-571-0400	1/27/2022
BE Savvy Flint LLC	6008 Fenton Road	Flint	MI	48507	517-308-0000	8/4/2021
Ballenger SS #216 LLC	1274 N. Ballenger Highway	Flint	MI	48504	810-638-0000	6/16/2023
RJSS #1, LLC	31270 Groesbeck Hwy.	Fraser	MI	48152	586-525-0000	9/17/2020
Garden City SS #213 LLC	32788 Cherry Hill Road	Garden City	MI	48135	734-704-1111	5/5/2022
LP SS #201 LLC	2083 Dix Hwy.	Lincoln Park	MI	48146	313-306-0000	1/8/2021
Be Savvy Hall Road LLC	20295 Hall Road	Macomb	MI	48044	586-217-3333	12/21/2021
RJSS # 4, LLC	31055 John R	Madison Heights	MI	48071	586-315-5555	6/24/2021
Mt Clemens SS #229 LLC	140 N Main Street	Mt Clemens	MI	48043	313-477-8888	Opening in 2024
Chesterfield SS #204 LLC	27830 23 Mile Road	New Baltimore	MI	48051	586-625-5555	5/26/2021
Greenfield SS #235 LLC	21220 Greenfield Road	Oak Park	MI	48237	248-871-7777	8/1/2023
Okemos SS #218 LLC	3464 Okemos Road	Okemos	MI	48864	517-833-1111	10/28/2022
SS #215 LLC	1 West Walton Boulevard	Pontiac	MI	48340	248-963-1111	8/5/2022
Redford HS #14 LLC	14855 Telegraph Road	Redford	MI	48239	313-474-0000	3/12/2021
Riverview Fort SS Inc	17800 Fort	Riverview	MI	48193	734-984-0222	9/20/2022
R & S Trading LLC	606 S. Rochester Road	Rochester	MI	48307	248-571-0500	Opening in 2024
Van Dyke SS #206, LLC	56619 Van Dyke	Shelby Twp	MI	48316	586-330-1111	10/28/2021
NW12 SS #223 LLC	24529 West Twelve Mile Road	Southfield	MI	48034	248-939-1144	Opening in 2024
Best Friends Association LLC	22650 W 8 Mile Road	Southfield	MI	48033	313-903-1150	Opening in 2024
15-Ryan SS #211 LLC	4051 15 Mile road	Sterling Heights	MI	48310	586-551-7777	3/24/2022
Brian Bastianelli	TBD	TBD	MI		248-866-1263	
Big Beaver SS #205, LLC	1434 W Big Beaver	Troy	MI	48084	248-929-5555	4/29/2021
Van 696 SS #210 LLC	27460 Van dyke Avenue	Warren	MI	48093	586-303-4444	3/15/2022
9 Mound SS #219 LLC	22901 Mound Road	Warren	MI	48091	586-328-1111	Opening in 2024
Dixie Waterford SS #230 LLC	5799 Dixie Highway	Waterford	MI	48328	248-623-0011	11/14/2023
Ypsi JA Investments LLC	2997 Washtenaw Avenue	Ypsilanti	MI	48197	734-547-3333	6/2/2022
Savas Foods LLC	14601 Snow Road	Brook Park	OH	44142	216-259-5555	Opening in 2024
Lane & High SS LLC	2106 N High Street	Columbus	OH	43215	614-820-1111	11/26/2022
Greenville Dallas SS #502 LLC	4814 Greenville Avenue	Dallas	TX	75206	214-861-5555	10/12/2023
San Pedro SS #501 LLC	303 San Pedro Avenue	San Antonio	TX	78212	210-934-5555	6/23/2023
San Pedro SS #503 LLC	9519 San Pedro Avenue	San Antonio	TX	78216	214-733-9726	Opening in 2024
Houston SS 500	TBD	TBD	TX		214-733-9726	Opening in 2024

EXHIBIT J

**LIST OF FRANCHISEES THAT RECENTLY TRANSFERRED OR CLOSED A
RESTAURANT**

LIST OF FRANCHISEES THAT RECENTLY TRANSFERRED OR CLOSED A RESTAURANT

The following are the names and last known addresses and telephone numbers of every franchisee who has had a franchise terminated, canceled, not renewed or otherwise voluntarily or involuntarily ceased to do business under a Franchise Agreement during the calendar year 2023 or who have not communicated with us within 10 weeks of our application date (or the date of this Disclosure Document, if this Disclosure Document is not for use in a state requiring registration of franchises).

Bashar Taib-#207

Sterling Heights, Michigan 48314
(586) 258-9244
Closed a Restaurant due to conflict with exclusive rights of another tenant

Clifford Vallier -#205

Rochester, Michigan 48307
(313) 477-0965
Transferred a Restaurant in Michigan

Stef Tomas-#228

Sterling Heights, Michigan 48312
(586) 929-0101
Closed a Restaurant Due to Fire

Zamen Mussa-#228

Warren, Michigan 48093
(586) 222-7566
Closed a Restaurant Due to Fire

JP & B Sharing LLC-#212

JP & Ban Jonn-Members
West Bloomfield, Michigan 48322
(248) 943-1178
Transferred a Restaurant in Michigan

Solyco CAC LLC-#217

John Garcia-Member
Rochester, Michigan 48307
(947) 208-1900
Transferred a Restaurant in Michigan; still has interest in other Restaurants

MGH Savvy LLC-#215

Michael Hinton-Member
Farmington Hills, Michigan 48336
(248) 660-5477
Transferred a Restaurant in Michigan

MGH Savvy LLC-#215

Dennis Edwards-Member
Rochester, Michigan 48306
(313) 690-9620
Transferred a Restaurant in Michigan

EXHIBIT K
FINANCIAL STATEMENTS

FINANCIAL STATEMENTS

SOME OF THE FOLLOWING FINANCIAL STATEMENTS MAY BE PREPARED WITHOUT AN AUDIT. INVESTORS IN OR SELLERS OF FRANCHISES SHOULD BE ADVISED THAT A CERTIFIED PUBLIC ACCOUNTANT HAS NOT AUDITED THE FIGURES ON UNAUDITED FINANCIAL STATEMENTS OR EXPRESSED AN OPINION WITH REGARD TO THE CONTENTS OR FORM OF UNAUDITED FINANCIAL STATEMENTS.

SAVVY SLIDERS FRANCHISE, LLC

AUDITED FINANCIAL STATEMENTS

Years ended December 31, 2023 **and** 2022

SAVVY SLIDERS FRANCHISE, LLC

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INDEPENDENT AUDITOR'S REPORT

To the Managing Member
Savvy Sliders Franchise, LLC

Opinion

We have audited the accompanying financial statements of Savvy Sliders Franchise, LLC, which comprise the balance sheets as of December 31, 2023 **and 2022**, and the related statements of operations and member's equity, and cash flows for the years then ended, 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 Savvy Sliders Franchise, 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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Savvy Sliders Franchise, LLC and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Savvy Sliders Franchise, LLC's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Savvy Sliders Franchise, LLC's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The schedules of general and administrative expenses 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 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.

Other Information Included in the Company's Franchise Disclosure Document

Management is responsible for the other information included in the Company's Franchise Disclosure Document. The other information comprises information regarding the franchisor, applicable fees, initial investment amounts, obligations, franchise agreements, restrictions, and franchisee information and statistics among other items, but it does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information, and we do not express an opinion or any form of assurance on it.

To the Managing Member
Savvy Sliders Franchise, LLC
Page Three

In connection with our audit of the financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

UHY LLP

Farmington Hills, Michigan
May 8, 2024

SAVVY SLIDERS FRANCHISE, LLC
BALANCE SHEETS

	December 31,	
	2023	2022
ASSETS		
CURRENT ASSETS		
Cash	\$ 55,142	\$ 72,475
Accounts receivable, trade	48,152	44,965
Prepaid expenses	345	-
Total current assets	103,639	117,440
RELATED PARTY RECEIVABLES	190,978	466,281
OTHER RECEIVABLES	63,100	95,000
PROPERTY AND EQUIPMENT, NET	650,523	610,571
INTANGIBLE ASSETS, NET	20,097	-
TOTAL ASSETS	\$ 1,028,337	\$ 1,289,292
LIABILITIES AND MEMBER'S EQUITY		
CURRENT LIABILITIES		
Accounts payable	\$ 29,721	\$ 10,915
Accrued expenses	106,105	92,424
Current portion of long-term debt	50,388	32,236
Deferred revenue	265,852	281,490
Total current liabilities	452,066	417,065
RELATED PARTY PAYABLES	434,545	521,010
LONG-TERM DEBT	139,732	133,733
MEMBER'S EQUITY	1,994	217,484
TOTAL LIABILITIES AND MEMBER'S EQUITY	\$ 1,028,337	\$ 1,289,292

SAVVY SLIDERS FRANCHISE, LLC
STATEMENTS OF OPERATIONS AND MEMBER'S EQUITY (DEFICIT)

	Years ended December 31,			
	2023		2022	
	Amount	Percent of Total Revenues	Amount	Percent of Total Revenues
Revenues				
Initial franchise fees	\$ 165,638	8.1 %	\$ 102,885	7.1 %
Royalty commissions	1,434,947	70.5	1,074,115	74.9
Other revenue	436,136	21.4	257,899	18.0
Total revenues	<u>2,036,721</u>	<u>100.0</u>	<u>1,434,899</u>	<u>100.0</u>
Expenses				
General and administrative expenses	2,929,844	143.7	1,848,322	129.0
Interest expense	8,450	0.4	3,192	0.2
Other expense	3,251	0.2	-	-
Total expenses	<u>2,941,545</u>	<u>144.3</u>	<u>1,851,514</u>	<u>129.2</u>
Net loss	<u>(904,824)</u>	<u>(44.3) %</u>	<u>(416,615)</u>	<u>(29.2) %</u>
Member's equity, beginning	217,484		7,373	
Member contributions	745,534		641,026	
Member distributions	<u>(56,200)</u>		<u>(14,300)</u>	
Member's equity, ending	<u>\$ 1,994</u>		<u>\$ 217,484</u>	

SAVVY SLIDERS FRANCHISE, LLC
STATEMENTS OF CASH FLOWS

	<u>Years ended December 31,</u>	
	<u>2023</u>	<u>2022</u>
OPERATING ACTIVITIES		
Net loss	\$ (904,824)	\$ (416,615)
Adjustments to reconcile net loss to net cash flows from operating activities:		
Depreciation and amortization	107,212	69,663
Changes in:		
Prepaid expenses	(345)	3,081
Accounts receivable	(3,187)	(44,965)
Accounts receivable, other	31,900	(5,000)
Accounts payable	18,806	10,915
Accrued expenses	13,681	41,070
Deferred revenue	(15,638)	100,865
	<u>(752,395)</u>	<u>(240,986)</u>
Net cash used by operating activities		
INVESTING ACTIVITIES		
Expenditures for property and equipment	(52,511)	(680,234)
Expenditures for intangible assets	(20,910)	-
	<u>(73,421)</u>	<u>(680,234)</u>
Net cash used by operating activities		
FINANCING ACTIVITIES		
Proceeds from long-term debt	-	176,335
Payments of long-term debt	(34,871)	(10,366)
Member contributions	745,534	641,026
Member distributions	(56,200)	(14,300)
Related party receivables	275,303	(261,423)
Related party payables	(121,283)	399,517
	<u>808,483</u>	<u>930,789</u>
Net cash provided by financing activities		
NET CHANGE IN CASH	(17,333)	9,569
CASH, Beginning	72,475	62,906
CASH, Ending	\$ 55,142	\$ 72,475
SUPPLEMENTAL CASH FLOW INFORMATION		
Cash paid for interest	<u>\$ 3,196</u>	<u>\$ -</u>

SAVVY SLIDERS FRANCHISE, LLC
NOTES TO FINANCIAL STATEMENTS
December 31, 2023 and 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following is a summary of certain accounting policies followed in the preparation of these financial statements. The policies conform to accounting principles generally accepted in the United States of America and have been consistently applied in the preparation of these financial statements.

Company Operations

Savvy Sliders Franchise, LLC (the “Company”) is the master franchisor to license Savvy Sliders restaurants. The Company was organized on January 25, 2019.

Basis of Accounting

The financial statements have been prepared in accordance with generally accepted accounting principles in the United States of America.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Accounts Receivable and Allowance for Credit Losses

The Company carries its accounts receivable at invoiced amount less an allowance for credit losses. Generally, the Company does not require collateral for its accounts receivable. On a periodic basis, the Company evaluates its accounts receivable and establishes an allowance for credit losses when deemed necessary, based on the history of past write-offs and collections, current credit conditions, and reasonable and supportable forecasts of collectability. Management estimates that no allowance for credit losses is necessary for the years ended December 31, 2023 **and 2022**.

Property and Equipment

Management capitalizes expenditures for property and equipment. Expenditures for maintenance and repairs are charged to expense. Property and equipment are carried at cost. Adjustments of the assets and the related accumulated depreciation accounts are made for property and equipment retirements and disposals, with the resulting gain or loss included in the statement of operations.

SAVVY SLIDERS FRANCHISE, LLC
NOTES TO FINANCIAL STATEMENTS
December 31, 2023 and 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Depreciation

Depreciation of property and equipment is computed using the straight-line and accelerated methods over the estimated useful lives of the assets at acquisition.

Intangible Assets

The intangible asset consists of the Company's unique web address (URL), MORE2LOVE.com. Costs incurred to renew or extend the term of the recognized intangible asset are expensed as incurred. The website address is being amortized on a straight-line basis over the estimated life of 15 years.

Income Taxes

The Company is organized as a limited liability company (LLC), which is generally not a taxpaying entity for federal income tax purposes. Income from the Company is taxed to the member on their individual income tax returns. The member may take capital withdrawals each year to pay their personal income tax liabilities.

ASC guidance regarding accounting for uncertainty in income taxes clarifies the accounting for income taxes by prescribing the minimum recognition threshold an income tax position is required to meet before being recognized in the financial statements and applies to all income tax positions. Each income tax position is assessed using a two-step process. A determination is first made as to whether it is more likely than not that the income tax position will be sustained, based upon technical merits, upon examination by the taxing authorities. If the income tax position is expected to meet the more likely than not criteria, the benefit recorded in the financial statements equals the largest amount that is greater than 50% likely to be realized upon its ultimate settlement. At December 31, 2023 and 2022, there were no uncertain tax positions that require accrual.

Revenue Recognition

The Company's revenues consist of initial franchise fees, royalty commissions, and other revenue.

Royalty commissions are based on a monthly fee paid and are recognized when earned. Other revenues are monthly fees for services provided on behalf of the restaurants, which is recognized as other revenue when earned.

SAVVY SLIDERS FRANCHISE, LLC
NOTES TO FINANCIAL STATEMENTS
December 31, 2023 and 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue Recognition (Continued)

Initial franchise fees are recognized as revenue as the various performance obligations are satisfied. The Company accounts for the franchise agreements as multiple performance obligations, which include: the use of intellectual property; training, management services, point of sale mobilization, and other costs. The use of intellectual property is now recognized over time based on the term of the agreement. The remaining performance obligations continue to be recognized at a point in time when the services are performed. Any amounts not related to performance obligations that are not satisfied are recorded as deferred revenue.

Contract balances consist of the following:

	December 31,	
	2023	2022
Receivables, beginning of year	\$ 44,965	\$ -
Receivables, end of year	\$ 48,152	\$ 44,965
Contract liabilities, beginning of year	\$ 281,490	\$ 180,625
Contract liabilities, end of year	\$ 265,852	\$ 281,490

Disaggregation of Revenue

Disaggregated revenue for the years ended December 31, 2023 and 2022 is as follows:

	Years ended December 31,	
	2023	2022
Revenues recognized over time:		
Initial franchise fees	\$ 24,438	\$ 19,885
Total revenues recognized over time	<u>24,438</u>	<u>19,885</u>
Revenues recognized at a point in time:		
Initial franchise fees	141,200	83,000
Royalty commissions	1,434,947	1,074,115
Other revenue	436,136	257,899
Total revenues recognized at a point in time	<u>2,012,283</u>	<u>1,415,014</u>
Total revenues recognized under Topic 606	<u>\$ 2,036,721</u>	<u>\$ 1,434,899</u>

SAVVY SLIDERS FRANCHISE, LLC
NOTES TO FINANCIAL STATEMENTS
December 31, 2023 and 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Advertising

Advertising costs are expensed as incurred and totaled \$112,755 and \$182,989 for the years ended December 31, 2023 and 2022, respectively.

Subsequent Events

The Company has performed a review of events subsequent to the balance sheet date through May 8, 2024, the date the financial statements were available to be issued.

Recently Adopted Accounting Pronouncement

In June 2016, the FASB issued ASU No. 2016-13, “Financial Instruments – Credit Losses” (Topic 326). The ASU includes changes to the accounting and measurement of financial assets including the Company’s contracts receivable by requiring the Company to recognize an allowance for all expected losses over the life of the financial asset at origination. This is different from the current practice where an allowance is not recognized until the losses are considered probable.

The Company adopted the new standard effective January 1, 2023. The impact of the adoption was not considered material to the financial statements and primarily resulted in new/enhanced disclosures only.

NOTE 2 – FRANCHISING

The Company executes franchise agreements that set the terms of its arrangement with each franchisee. The franchise requires the franchisee to pay an initial non-refundable fee and monthly royalty fees. Direct costs of sales and servicing of franchise and license agreements are charged to general and administrative expenses as incurred. The Company has franchises in Michigan, Texas, Florida, and Ohio.

NOTE 3 – RELATED PARTY TRANSACTIONS

The Company has related party receivables of \$190,978 and \$466,281 and related party payables of \$434,545 and \$521,010 at December 31, 2023 and 2022, respectively, with entities under common ownership. The receivables and payables are primarily the result of cash advances to and from related entities.

Effective in 2022, the Company has a short-term lease of office space from a related party through common ownership. Rent expense charged under short term related party lease for the years ended December 31, 2023 and 2022, was \$112,000 and \$48,000, respectively. See Note 7 for non-cash related party transactions.

SAVVY SLIDERS FRANCHISE, LLC
NOTES TO FINANCIAL STATEMENTS
December 31, 2023 and 2022

NOTE 4 – PROPERTY AND EQUIPMENT

Property and equipment consist of the following:

	December 31,	
	2023	2022
Automobiles	\$ 439,578	\$ 233,057
Furniture and fixtures	231,448	230,727
Computer and office equipment	219,100	216,450
Total	890,126	680,234
Less accumulated depreciation and amortization	239,603	69,663
Property and equipment, net	<u>\$ 650,523</u>	<u>\$ 610,571</u>

Depreciation and amortization expense was \$106,399 and \$69,663 for the years ended December 31, 2023 and 2022, respectively.

NOTE 5 – INTANGIBLE ASSET

The intangible asset consists of the URL (MORE2LOVE.com) and is being amortized on a straight-line basis over fifteen years. Total amortization expense for the year ended December 31, 2023 was \$X.

The intangible asset consisted of the following:

	December 31,	
	2023	2022
Domain name	\$ 20,910	\$ -
Less accumulated amortization	(813)	-
Intangible assets, net	<u>\$ 20,097</u>	<u>\$ -</u>

Annual amortization expense of the intangible asset for each of the next fourteen years is expected to be \$1,494.

SAVVY SLIDERS FRANCHISE, LLC
NOTES TO FINANCIAL STATEMENTS
December 31, 2023 and 2022

NOTE 6 – LONG-TERM DEBT

Long-term debt consists of the following:

	December 31,	
	<u>2023</u>	<u>2022</u>
Note payable to a financial institution in monthly installments of \$3,348, including interest of 5.25% due August 2027. The note is secured by a vehicle with a cost of approximately \$176,000.	133,733	165,969
Note payable to a financial institution in monthly installments of \$938, including interest of 6.34% due August 2027. The note is secured by a vehicle with a cost of \$76,000. The note was transferred to the Company from a related party in 2023.	37,317	-
Note payable to a financial institution in monthly installments of \$704, including interest of 7.10% due July 2026. The note is secured by a vehicle with a cost of \$76,494. The note was transferred to the Company from a related party in 2023.	19,070	-
	<u>190,120</u>	<u>165,969</u>
Less current portion	<u>(50,388)</u>	<u>(32,236)</u>
Long-term portion	<u>\$ 139,732</u>	<u>\$ 133,733</u>

Aggregate principal payments on long-term debt for the next five years are as follows:

Years ending December 31,	Amount
2024	\$ 50,388
2025	52,693
2026	53,608
2027	33,431
	<u>\$ 190,120</u>

SAVVY SLIDERS FRANCHISE, LLC
NOTES TO FINANCIAL STATEMENTS
December 31, 2023 and 2022

NOTE 7 – STATEMENT OF CASH FLOWS

Cash paid for interest expense was \$8,450 and \$3,192 for the years ended December 31, 2023 and 2022, respectively.

The following non-cash transaction took place during the year ended December 31, 2023:

In 2023, a related party transferred vehicles with a net book value of \$93,839 along with the related debt of \$59,022 to the Company. The difference of \$34,817 was recorded as a related party payable.

SUPPLEMENTARY INFORMATION

SAVVY SLIDERS FRANCHISE, LLC
SCHEDULES OF GENERAL AND ADMINISTRATIVE EXPENSES

	Years ended December 31,			
	2023		2022	
	Amount	Percent of Total Revenues	Amount	Percent of Total Revenues
Salaries and wages	\$ 1,666,210	81.8 %	\$ 1,112,973	77.6 %
Payroll taxes	137,053	6.7	91,476	6.4
Personal property tax	8,184	.4	-	-
Professional fees	208,900	10.3	201,117	14.0
Office supplies and expense	73,663	3.6	33,759	2.4
Dues and subscriptions	67,822	3.3	27,505	1.9
Rent expense	112,000	5.5	48,000	3.3
Employee benefits	41,751	2.0	1,143	.1
Travel and entertainment	240,153	11.8	42,216	2.9
Auto expense	17,840	.9	3,294	.2
Advertising	112,755	5.5	182,989	12.8
Insurance	9,545	.5	8,222	.6
Donations	575	-	2,822	.2
Depreciation and amortization	107,212	5.3	69,663	4.9
Repairs and maintenance	23,170	1.1	19,741	1.4
Training	102,048	5.0	2,208	.2
Licenses and permits	963	-	1,194	.1
	<u>\$ 2,929,844</u>	<u>143.7 %</u>	<u>\$ 1,848,322</u>	<u>129.0 %</u>

SAVVY SLIDERS FRANCHISE, LLC

AUDITED FINANCIAL STATEMENTS

Years ended December 31, 2022 **and** 2021

SAVVY SLIDERS FRANCHISE, LLC

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INDEPENDENT AUDITOR'S REPORT

To the Managing Member
Savvy Sliders Franchise, LLC

Opinion

We have audited the accompanying financial statements of Savvy Sliders Franchise, LLC, which comprise the balance sheets as of December 31, 2022 and 2021, and the related statements of operations and member's equity, and cash flows for the years then ended, 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 Savvy Sliders Franchise, LLC as of December 31, 2022 and 2021, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

To the Managing Member
Savvy Sliders Franchise, LLC
Page Two

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Savvy Sliders Franchise, LLC's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Savvy Sliders Franchise, LLC's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Other Information Included in the Company's Franchise Disclosure Document

Management is responsible for the other information included in the Company's Franchise Disclosure Document. The other information comprises information regarding the franchisor, applicable fees, initial investment amounts, obligations, franchise agreements, restrictions, and franchisee information and statistics among other items, but it does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information, and we do not express an opinion or any form of assurance on it.

In connection with our audit of the financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.



Farmington Hills, Michigan
April 26, 2023

SAVVY SLIDERS FRANCHISE, LLC
BALANCE SHEETS

	December 31,	
	2022	2021
ASSETS		
CURRENT ASSETS		
Cash	\$ 72,475	\$ 62,906
Accounts receivable, trade	44,965	-
Prepaid expenses	-	3,081
Total current assets	117,440	65,987
RELATED PARTY RECEIVABLES	466,281	204,858
OTHER RECEIVABLES	95,000	90,000
PROPERTY AND EQUIPMENT, NET	610,571	-
TOTAL ASSETS	\$ 1,289,292	\$ 360,845
LIABILITIES AND MEMBER'S EQUITY		
CURRENT LIABILITIES		
Accounts payable	\$ 10,915	\$ -
Accrued expenses	92,424	51,354
Current portion of long-term debt	32,236	-
Deferred revenue	281,490	180,625
Total current liabilities	417,065	231,979
RELATED PARTY PAYABLES	521,010	121,493
LONG-TERM DEBT	133,733	-
MEMBER'S EQUITY	217,484	7,373
TOTAL LIABILITIES AND MEMBER'S EQUITY	\$ 1,289,292	\$ 360,845

SAVVY SLIDERS FRANCHISE, LLC
STATEMENTS OF OPERATIONS AND MEMBER'S EQUITY (DEFICIT)

	Years ended December 31,			
	2022		2021	
	Amount	Percent of Total Revenues	Amount	Percent of Total Revenues
REVENUES				
Initial franchise fees	\$ 102,885	7.1 %	\$ 390,250	45.7 %
Royalty commissions	1,074,115	74.9	464,334	54.3
Other revenue	257,899	18.0	-	-
Total revenues	1,434,899	100.0	854,584	100.0
General and administrative expenses	1,851,514	129.2	672,999	78.7
Net income (loss)	(416,615)	-29.2 %	181,585	21.3 %
Member's equity (deficit), beginning	7,373		(24,212)	
Member contributions	641,026		-	
Member distributions	(14,300)		(150,000)	
Member's equity, ending	\$ 217,484		\$ 7,373	

SAVVY SLIDERS FRANCHISE, LLC
STATEMENTS OF CASH FLOWS

	<u>Years ended December 31,</u>	
	<u>2022</u>	<u>2021</u>
OPERATING ACTIVITIES		
Net income (loss)	\$ (416,615)	\$ 181,585
Adjustments to reconcile net income (loss) to net cash flows from operating activities:		
Depreciation and amortization	69,663	-
Changes in:		
Prepaid expenses	3,081	(3,081)
Accounts receivable	(44,965)	-
Accounts receivable, other	(5,000)	-
Related party receivables	(261,423)	(236,665)
Accounts payable	10,915	(11,774)
Accrued expenses	41,070	46,354
Deferred revenue	100,865	153,500
Related party payable	399,517	(73,787)
	<u>(102,892)</u>	<u>56,132</u>
Net cash provided by operating activities		
INVESTING ACTIVITY		
Expenditures for property and equipment	<u>(680,234)</u>	<u>-</u>
FINANCING ACTIVITY		
Proceeds from long-term debt	176,335	-
Payments of long-term debt	(10,366)	-
Member contributions	641,026	-
Member distributions	(14,300)	-
	<u>792,695</u>	<u>-</u>
Net cash provided by financing activities		
NET CHANGE IN CASH	9,569	56,132
CASH, Beginning	<u>62,906</u>	<u>6,774</u>
CASH, Ending	<u><u>\$ 72,475</u></u>	<u><u>\$ 62,906</u></u>

Non-Cash Transactions

During the year ended December 31, 2021, the Company recorded distributions of \$150,000 through an increase in related party payables.

SAVVY SLIDERS FRANCHISE, LLC
NOTES TO FINANCIAL STATEMENTS
December 31, 2022 and 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following is a summary of certain accounting policies followed in the preparation of these financial statements. The policies conform to accounting principles generally accepted in the United States of America and have been consistently applied in the preparation of these financial statements.

Company Operations

Savvy Sliders Franchise, LLC (the “Company”) is the master franchisor to license Savvy Sliders restaurants. The Company was organized on January 25, 2019.

Basis of Accounting

The financial statements have been prepared in accordance with generally accepted accounting principles in the United States of America.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Accounts Receivable and Allowance for Doubtful Accounts

The Company carries its accounts receivable at an invoiced amount less an allowance for doubtful accounts. Generally, the Company does not require collateral for its accounts receivable. On a periodic basis, the Company evaluates its accounts receivable and establishes an allowance for doubtful accounts, when deemed necessary, based on the history of past write-offs and collections and current credit conditions. Management estimates that no allowance for doubtful accounts is necessary for the years ended December 31, 2022 and 2021.

Property and Equipment

Management capitalizes expenditures for property and equipment. Expenditures for maintenance and repairs are charged to expense. Property and equipment are carried at cost. Adjustments of the assets and the related accumulated depreciation accounts are made for property and equipment retirements and disposals, with the resulting gain or loss included in the statement of operations.

SAVVY SLIDERS FRANCHISE, LLC
NOTES TO FINANCIAL STATEMENTS
December 31, 2022 and 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Depreciation

Depreciation of property and equipment is computed using the straight-line and accelerated methods over the estimated useful lives of the assets at acquisition.

Income Taxes

The Company is organized as a limited liability company (LLC), which is generally not a taxpaying entity for federal income tax purposes. Income from the Company is taxed to the member on their individual income tax returns. The member may take capital withdrawals each year to pay their personal income tax liabilities.

ASC guidance regarding accounting for uncertainty in income taxes clarifies the accounting for income taxes by prescribing the minimum recognition threshold an income tax position is required to meet before being recognized in the financial statements and applies to all income tax positions. Each income tax position is assessed using a two-step process. A determination is first made as to whether it is more likely than not that the income tax position will be sustained, based upon technical merits, upon examination by the taxing authorities. If the income tax position is expected to meet the more likely than not criteria, the benefit recorded in the financial statements equals the largest amount that is greater than 50% likely to be realized upon its ultimate settlement. At December 31, 2022 and 2021, there were no uncertain tax positions that require accrual.

Revenue Recognition

The Company's revenues consist of initial franchise fees, royalty commissions, and other revenue.

Royalty commissions are based on a monthly fee paid and are recognized when earned. Other revenues are monthly fees for services provided on behalf of the restaurants, which is recognized as other revenue when earned.

Initial franchise fees are recognized as revenue as the various performance obligations are satisfied. The Company accounts for the franchise agreements as multiple performance obligations, which include: the use of intellectual property; training, management services, point of sale mobilization, and other costs. The use of intellectual property is now recognized over time based on the term of the agreement. The remaining performance obligations continue to be recognized at a point in time when the services are performed. Any amounts not related to performance obligations that are not satisfied are recorded as deferred revenue.

SAVVY SLIDERS FRANCHISE, LLC
NOTES TO FINANCIAL STATEMENTS
December 31, 2022 and 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue Recognition (Continued)

Contract balances consist of the following:

	December 31,	
	2022	2021
Receivables, beginning of year	\$ -	\$ -
Receivables, end of year	\$ 44,965	\$ -
Contract liabilities, beginning of year	\$ 180,625	\$ 27,125
Contract liabilities, end of year	\$ 281,490	\$ 180,625

Disaggregation of Revenue

Disaggregated revenue for the years ended December 31, 2022 and 2021 is as follows:

	Years ended December 31,	
	2022	2021
Revenues recognized over time:		
Initial franchise fees	\$ 19,885	\$ 531
Total revenues recognized over time	<u>19,885</u>	<u>531</u>
Revenues recognized at a point in time:		
Initial franchise fees	83,000	389,719
Royalty commissions	1,074,115	464,334
Other revenue	257,899	-
Total revenues recognized at a point in time	<u>1,415,014</u>	<u>854,053</u>
Total revenues recognized under Topic 606	<u><u>\$ 1,434,899</u></u>	<u><u>\$ 854,584</u></u>

Advertising

Advertising costs are expensed as incurred and totaled \$182,989 and \$52,309 for the years ended December 31, 2022 and 2021, respectively.

SAVVY SLIDERS FRANCHISE, LLC
NOTES TO FINANCIAL STATEMENTS
December 31, 2022 and 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Subsequent Events

The Company has performed a review of events subsequent to the balance sheet date through April 26, 2023, the date the financial statements were available to be issued.

Recently Adopted Accounting Pronouncement

The Company elected to adopt Accounting Standards Update (“ASU”) No. 2018-17, “Targeted Improvements to Related Party Guidance for Variable Interest Entities”. This ASU provides private companies with an accounting alternative in applying VIE guidance to entities under common control. As a result, the Company elected not to apply the VIE guidance to all affiliated entities under common control as management believes it meets all the criteria pertinent to the application of this accounting alternative. The Company’s carrying amount of assets to these affiliated entities was \$466,281 and \$204,858 for the years ended December 31, 2022 and 2021, respectively. The Company’s carrying amount of liabilities to these affiliated entities was \$521,010 and \$121,493, respectively.

In February 2016, the Financial Accounting Standards Board issued accounting standards update (“ASU”) 2016-02 “Leases (Topic 842)”. Under this guidance, an entity is required to recognize right-of-use assets and lease liabilities on its balance sheet and disclose key information about leasing arrangements.

The Company adopted the new standard effective January 1, 2022, using the modified retrospective approach. This approach allows the Company to initially apply the new accounting standards at the adoption date and recognize a cumulative adjustment to the opening balance of retained earnings in the period of adoption. The prior year comparative information has not been restated and continues to be reported under the accounting standards in effect for that period. The adoption of the new standards had no impact on member’s equity (deficit) and currently the Company has no operating leases that are subject to the new standard.

The Company also early adopted ASC 2023-01 “Common Control Lease Arrangements”. As a result, the Company is permitted to use any written terms and conditions between the parties, without regard to their legal enforceability, to identify, classify and account for common control leases. In addition, the Company amortizes leasehold improvements related to a common control lease over their useful life to the common control group, regardless of the lease term, as long as they continue to control the use of the underlying leased asset.

SAVVY SLIDERS FRANCHISE, LLC
NOTES TO FINANCIAL STATEMENTS
December 31, 2022 and 2021

NOTE 2 – FRANCHISING

The Company executes franchise agreements that set the terms of its arrangement with each franchisee. The franchise requires the franchisee to pay an initial non-refundable fee and monthly royalty fees. Direct costs of sales and servicing of franchise and license agreements are charged to general and administrative expenses as incurred. The Company has franchises in Michigan.

NOTE 3 – RELATED PARTY TRANSACTIONS

The Company has related party receivables of \$466,281 and \$204,858 and related party payables of \$521,010 and \$121,493 at December 31, 2022 and 2021, respectively, with entities under common ownership. The receivables and payables are primarily the result of cash advances to and from related entities.

The Company paid related parties for various charges in 2021 including \$55,000 for brand set up fees, \$80,000 for management fees and \$19,963 in advertising fees. In 2022, there were no fees charged by related parties for expenses.

Effective in 2022, the Company has a short-term lease of office space from a related party through common ownership. Rent expense charged under short term related party lease for the year ended December 31, 2022, was \$48,000.

NOTE 4 – PROPERTY AND EQUIPMENT

Property and equipment consist of the following:

	December 31,	
	2022	2021
Automobiles	\$ 233,057	\$ -
Furniture and fixtures	230,727	-
Computer and office equipment	216,450	-
Total	680,234	-
Less accumulated depreciation and amortization	69,663	-
Property and equipment, net	<u>\$ 610,571</u>	<u>\$ -</u>

Depreciation and amortization expense was \$69,663 and \$-0- for the years ended December 31, 2022 and 2021, respectively.

SAVVY SLIDERS FRANCHISE, LLC
NOTES TO FINANCIAL STATEMENTS
December 31, 2022 and 2021

NOTE 5 – LONG-TERM DEBT

	December 31,	
	<u>2022</u>	<u>2021</u>
Note payable to a financial institution in monthly installments of \$3,348, including interest of 5.25% due August 2027. The note is secured by a vehicle with a cost of approximately \$176,000.	165,969	-
Less current portion	<u>(32,236)</u>	<u>-</u>
Long-term portion	<u>\$ 133,733</u>	<u>\$ -</u>

Aggregate principal payments on long-term debt for the next five years are as follows:

<u>Years ending December 31,</u>	<u>Amount</u>
2023	\$ 32,236
2024	33,950
2025	35,795
2026	37,720
2027	26,268
	<u>\$ 165,969</u>

SUPPLEMENTARY INFORMATION

SAVVY SLIDERS FRANCHISE, LLC
SCHEDULES OF GENERAL AND ADMINISTRATIVE EXPENSES

	Years ended December 31,			
	2022		2021	
	Amount	Percent of Total Revenues	Amount	Percent of Total Revenues
Salaries and wages	\$ 1,112,973	77.6 %	\$ 168,849	19.8 %
Payroll taxes	91,476	6.4	14,072	1.6
Professional fees	201,117	14.0	247,333	28.9
Office supplies and expense	36,951	2.6	22,519	2.6
Brand set up fees	-	-	55,000	6.4
Dues and subscriptions	27,505	1.9	-	-
Rent expense	48,000	3.3	4,400	.5
Employee benefits	1,143	.1	2,113	.2
Travel and entertainment	42,216	2.9	3,144	.4
Auto expense	3,294	.2	3,500	.4
Advertising	182,989	12.8	52,309	6.1
Insurance	8,222	.6	431	.1
Donations	2,822	.2	750	.1
Depreciation and amortization	69,663	4.9	-	-
Repairs and maintenance	19,741	1.4	-	-
Management fees	-		80,000	9.4
Training	2,208	.2	18,579	2.2
Licenses and permits	1,194	.1	-	-
	<u>\$ 1,851,514</u>	<u>129.2 %</u>	<u>\$ 672,999</u>	<u>78.7 %</u>

EXHIBIT L

STATE SPECIFIC DISCLOSURES AND ADDENDA

**ADDITIONAL STATE-SPECIFIC DISCLOSURES FOR THE
MULTI-STATE FRANCHISE DISCLOSURE DOCUMENT OF
SAVVY SLIDERS FRANCHISE LLC**

The following are additional disclosures for the Franchise Disclosure Document of Savvy Sliders Franchise 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.

CALIFORNIA

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

2. IN ADDITION TO THE INFORMATION SET FORTH IN ITEM 3 OF THE DISCLOSURE DOCUMENT, NEITHER THE FRANCHISOR NOR ANY PERSON LISTED IN ITEM 2 OF THE DISCLOSURE DOCUMENT IS SUBJECT TO ANY CURRENTLY EFFECTIVE ORDER OF ANY NATIONAL SECURITIES ASSOCIATION OR NATIONAL SECURITIES EXCHANGE, AS DEFINED IN THE SECURITIES EXCHANGE ACT OF 1934, 15 USCA 78(a), ET SEQ., SUSPENDING OR EXPELLING SUCH PERSONS FROM MEMBERSHIP IN SUCH ASSOCIATION OR EXCHANGE.

3. THE FOLLOWING PARAGRAPHS ARE AN ADDITION TO THE DISCLOSURE CONTAINED IN ITEM 17 OF THE DISCLOSURE DOCUMENT.

(a) California Business and Professions Code Sections 20000 through 20043 provide rights to the franchisee concerning termination or non-renewal of a franchise. If the franchise agreement contains a provision that is inconsistent with the law, the law will control.

(b) The Franchise Agreement contains a covenant not to compete that extends beyond termination of the franchise. That provision may not be enforceable under California law.

(c) The Franchise Agreement provides for termination upon bankruptcy. This provision may not be enforceable under Federal Bankruptcy Law (11 USCA Sec. 101, et seq.).

(d) The Franchise Agreement contains a liquidated damages clause. Under California Civil Code Section 1671, certain liquidated damages clauses are unenforceable.

(e) The Franchise Agreement requires application of the laws of Michigan. This provision may not be enforceable under California law.

(g) You must sign a general release if you renew or transfer your franchise. California Corporation Code 31512 voids a waiver of your rights under the Franchise Investment Law (California Corporations Code 31000 through 31516). Business and Professions Code 20010 voids

a waiver of your rights under the Franchise Relations Act (Business and Professions Code 20000 through 20043).

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

The URL address for the Savvy Sliders Franchise LLC Website is www.savvy sliders.com. OUR WEBSITE HAS NOT BEEN REVIEWED OR APPROVED BY THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION. ANY COMPLAINTS CONCERNING THE CONTENT OF THIS WEBSITE MAY BE DIRECTED TO THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION AT www.dfpi.ca.gov.

HAWAII

1. The following is in addition to the disclosure in Item 8 of the Franchise Disclosure Document:

The requirement for you to purchase products from us or some other entity as we designate in writing, may be unlawful under Hawaii Law. If, and to the extent, that requirement is found to be unlawful, that requirement will be void (to the extent unlawful) and you must purchase those products from approved suppliers.

2. The following paragraph is added:

This proposed registration is not effective/exempt from registration in any states at this time. No states have refused, by order or otherwise, to register these franchises. No states have revoked or suspended the right to offer these franchises.

ILLINOIS

1. The following is in addition to the disclosure in Item 17 of the Franchise Disclosure Document:

The Franchise Agreement, as amended for the State of Illinois, provides that:

(a) If any provisions concerning renewal are inconsistent with Section 20 of the Illinois Franchise Disclosure Act of 1987, then Illinois law will apply.

(b) If any provisions concerning termination are inconsistent with Section 19 of the Illinois Franchise Disclosure Act of 1987, then Illinois law will apply.

(c) Any provision in the Agreement specifying the application of the laws of a state other than Illinois is void with respect to franchises subject to Illinois law.

(d) Any provision of the Agreement specifying a state other than Illinois as the forum for litigation is void with respect to any cause of action that is otherwise enforceable in the State of Illinois.

(e) No condition, stipulation, or provision of the Agreement requiring you to waive compliance with any provision of the Illinois Franchise Disclosure Act will be valid and enforceable.

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

INDIANA

1. **REGISTRATION OF THIS FRANCHISE IN THE STATE OF INDIANA DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT BY THE COMMISSIONER.**

2. The following is in addition to the disclosure in Item 17 of the Franchise Disclosure Document:

The release that you must sign as a condition to renewal or transfer excepts claims arising under the Indiana Deceptive Franchise Practices Law, Indiana Code 23-2-2.7.

The Franchise Agreement for use in the State of Indiana specify that the Agreement and the construction of the Agreement will be governed by the laws of the State of Michigan except that the Indiana Franchise Law (Indiana Code 23-2-2.5 and 23-2-2.7) will control where applicable.

MARYLAND

1. The following is in addition to the disclosure in Item 17 of the Franchise Disclosure Document:

ANY RELEASE CONTAINED IN THE FRANCHISE AGREEMENT OR ANY OTHER AGREEMENT REQUIRED AS A CONDITION OF THE SALE, RENEWAL OR TRANSFER OF THE FRANCHISE WILL NOT APPLY TO ANY LIABILITY UNDER THE MARYLAND FRANCHISE REGISTRATION AND DISCLOSURE LAW.

THE FRANCHISE AGREEMENT SPECIFIES THE APPLICATION OF MICHIGAN LAWS AND MICHIGAN VENUE FOR LITIGATION, HOWEVER, YOU MAY BRING AN ACTION UNDER THE MARYLAND FRANCHISE REGISTRATION AND DISCLOSURE LAW IN ANY COURT OF COMPETENT JURISDICTION IN MARYLAND.

ANY CLAIM ARISING UNDER THE MARYLAND FRANCHISE REGISTRATION AND DISCLOSURE LAW MUST BE BROUGHT WITHIN THREE YEARS AFTER THE GRANT OF THE FRANCHISE.

MINNESOTA

1. The following is in addition to the disclosure in Item 17 of the Franchise Disclosure Document:

Minn. Stat. § 80C.21 and Minnesota Rule Part 2860.4400J prohibit us from requiring litigation to be conducted outside Minnesota. In addition, nothing in this disclosure document or agreement can abrogate or reduce any of your rights as provided in Minnesota Statutes, Chapter 80C, or your rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.

With respect to franchises governed by Minnesota law, Savvy Sliders Franchise LLC will comply with Minn. Stat. § 80C.14, Subds. 3, 4, and 5 which require, except in certain specified cases, that a franchisee be given 90 days notice of termination (with 60 days to cure) and 180 days notice for non-renewal of the franchise agreement.

Pursuant to Minn. Rule 2860.4400D, other than with respect to the voluntary settlement of disputes between us, no general release of claims requested by us from you or any transferor will include such claims you or a transferor may have under the Minnesota Franchises Law and the Rules and Regulations promulgated by the Commissioner of Commerce.

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

NEW YORK

1. REGISTRATION OF THIS FRANCHISE BY NEW YORK STATE DOES NOT MEAN THAT NEW YORK STATE RECOMMENDS IT OR HAS VERIFIED THE INFORMATION IN THIS DISCLOSURE DOCUMENT. IF YOU LEARN THAT ANYTHING IN THE DISCLOSURE DOCUMENT IS UNTRUE, CONTACT THE FEDERAL TRADE COMMISSION AND NEW YORK STATE DEPARTMENT OF

**LAW, BUREAU OF INVESTOR PROTECTION AND SECURITIES, 120 BROADWAY,
23RD FLOOR, NEW YORK, NEW YORK 10271.**

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

2. Litigation. The following is in addition to the disclosure in Item 3 of the Franchise Disclosure Document:

Except for any actions disclosed in the body of the Disclosure document, neither the franchisor, a predecessor, a parent or affiliate that induces franchise sales by promising to back the franchisor financially or otherwise guarantees the franchisor's performance, an affiliate whose offers franchises under the Franchisor's principal trademarks, nor any person identified in Item 2 of the Franchise Disclosure Document:

A. Has an administrative, criminal or civil action pending against that person alleging: a felony, a violation of a franchise, antitrust or securities law; fraud, embezzlement, fraudulent conversion, misappropriation of property; unfair or deceptive practices or comparable civil or misdemeanor allegations; or any pending action, other than routine litigation incidental to the business, which are significant in the context of the number of franchisees and the size, nature or financial condition of the franchise system or its business operations.

B. Has been convicted of a felony or pleaded nolo contendere to a felony charge or, within the 10 year period immediately preceding the application for registration, has been convicted of or pleaded nolo contendere to a misdemeanor charge or has been the subject of a civil action alleging: violation of a franchise, antifraud or securities law; fraud, embezzlement, fraudulent conversion or misappropriation of property, or unfair or deceptive practices or comparable allegations.

C. Is subject to a currently effective injunctive or restrictive order or decree relating to the franchise, or under a Federal, State or Canadian franchise, securities, antitrust, trade regulation or trade practice law, resulting from a concluded or pending action or proceeding brought by a public agency; or is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities and Exchange Act of 1934, suspending or expelling such person from membership in such association or exchange; or is subject to a currently effective injunctive or restrictive order relating to any other business activity as a result of an action brought by a public agency or department, including, without limitation, actions affecting a license as a real estate broker or sales agent.

3. Bankruptcy. The following is in addition to the disclosure in Item 4 of the Franchise Disclosure Document:

Except as disclosed in the body of the Disclosure document, neither Franchisor, and parent, predecessor, affiliate, officer, or general partner of the franchisor, nor any other individual who will have management responsibility relating to the sale or operation of franchises offered in the Franchise Disclosure Document has, during the ten (10) year period immediately before the date of the Disclosure document: (a) filed as debtor (or had filed against it) a petition to start an action under the U.S. bankruptcy code; (b) obtained a discharge of its debts under the bankruptcy code; or (c) was a principal officer of a company or a general partner in a partnership that either filed as a debtor (or had filed against it) a petition to start an action under the U.S. Bankruptcy Code during or within one (1) year after the officer or general partner of the Franchisor held this position in the company or partnership.

4. Initial Franchise Fee. The following is in addition to the disclosure in Item 5 of the Franchise Disclosure Document:

The initial franchise fee may, in part, be profit to us, and is, in part, used to pay our following expenses and costs: (a) employee salaries and benefits; (b) sales, administrative and operating expenses; (c) legal and accounting fees; (d) expenses of technical assistance, service and support; (e) protection of our trademarks; (f) other operational expenses incurred by us relating to franchising.

5. Renewal, Termination, Transfer and Dispute Resolution. The following is in addition to the disclosure in Item 17 of the Franchise Disclosure Document:

Conditions for our approval of the transfer--The release you must sign if you transfer your franchise will not apply to any claims you may have arising under Article 33 of the General Business Law of the State of New York.

Assignment of contract by us--No assignment of our rights in the Franchise Agreement will be made by us except to an assignee who, in our good faith and judgment, is willing and able to assume our duties under the Agreement.

Choice of law--The choice of law provision, which requires application of Michigan laws, will not be considered a waiver of your rights under Article 33 of the General Business Law of the State of New York.

Modification of agreements--Revisions to the operations manual will not unreasonable affect your obligations, including economic requirements, under the Franchise Agreement.

NORTH DAKOTA

1. The following is in addition to the disclosure in Item 17 of the Franchise Disclosure Document:

The Agreements as amended for the State of North Dakota do not specify a controlling law for interpretation or construction of the agreements.

The Agreements as amended for the State of North Dakota do not specify the venue for litigation proceedings.

THE SECURITIES COMMISSIONER HAS HELD THE FOLLOWING TO BE UNFAIR, UNJUST OR INEQUITABLE TO NORTH DAKOTA FRANCHISEES (SECTION 51-19-09, N.D.C.C.):

(a) Restrictive Covenants: Franchise disclosure documents which disclose the existence of covenants restricting competition contrary to Section 9-08-06, N.D.C.C., without further disclosing that such covenants will be subject to the statute.

(b) Situs of Arbitration Proceedings: Franchise agreements providing that the parties must agree to the arbitration of disputes at a location that is remote from the site of the franchisee's business.

(c) Restrictions on Forum: Requiring North Dakota franchisees to consent to the jurisdiction of courts outside of North Dakota.

(d) Liquidated Damages and Termination Penalties: Requiring North Dakota franchisees to consent to liquidated damages or termination penalties.

(e) Applicable Laws: Franchise agreements, which specify that they are to be governed by the laws of a state other than North Dakota.

(f) Waiver of Trial by Jury: Requiring North Dakota franchises to consent to a waiver of a trial by jury.

(g) Waiver of Exemplary and Punitive Damages: Requiring North Dakota franchisees to consent to a waiver of exemplary and punitive damages.

(h) General Release: Franchise Agreements that require the franchisee to sign a general release on renewal of the franchise agreement.

(i) Limitation of Claims: Franchise Agreements that require the franchisee to consent to a limitation of claims. The statute of limitations under North Dakota law applies.

(j) Enforcement of Agreement: Franchise Agreements that require the franchisee to pay all costs and expenses incurred by the franchisor in enforcing the agreement. The prevailing party in any enforcement action is entitled to recover all costs and expenses including attorneys' fees.

RHODE ISLAND

1. The following is in addition to the disclosure in Item 17 of the Franchise Disclosure Document:

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

VIRGINIA

1. The following statements are added to Item 17 of the Franchise Disclosure Document:

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 may not be enforceable.

Pursuant to Section 13.1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to use undue influence to induce a franchisee to surrender any right given to him under the franchise. If any provision of the Franchise Agreement involves the use of undue influence by the franchisor to induce a franchisee to surrender any rights given to him under the franchise, that provision may not be enforceable.

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

WASHINGTON

1. The following is in addition to the disclosure in Item 17 of the Franchise Disclosure Document:

The State of Washington has a statute, RCW 19.100.180, which may supersede the franchise agreement in your relationship with us, including the areas of termination and renewal of your franchise. There may also be court decisions that may supersede the franchise agreement in your relationship with us including the areas of termination and renewal of your franchise.

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

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

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

WISCONSIN

1. The following is in addition to the disclosure in Item 17 of the Franchise Disclosure Document:

Chapter 135, Stats., Wisconsin Fair Dealership Law, supersedes any provision of the Franchise Agreement or any other agreement inconsistent with that law.

**THE FOLLOWING PAGES IN THIS EXHIBIT ARE
STATE SPECIFIC ADDENDA TO THE
FRANCHISE AGREEMENT**

**ADDENDUM TO SAVVY SLIDERS FRANCHISE LLC
FRANCHISE AGREEMENT FOR USE IN THE STATE OF HAWAII**

THIS ADDENDUM is made this _____ day of _____, 20____, and modifies a Franchise Agreement of the same date entered into by Savvy Sliders Franchise LLC, a Michigan corporation (“Franchisor”) and _____ (“Franchisee”).

In recognition of the requirements of the Hawaii Franchise Investment Law, Haw. Rev. Stat. § 482E-1, et seq., the parties agree as follows:

1. Release on Renewal. Section 3.2(g) of the Franchise Agreement is amended to read as follows:

(g) Franchisee has signed a general release, in a form specified by Franchisor, of any and all claims against Franchisor, its subsidiaries and affiliates, and their respective officers, directors, agents, members and employees, excluding only such claims as Franchisee may have under the Hawaii Investment Law.

2. Supplier Requirements. Section 8.4 of the Franchise Agreement is amended by adding the following:

If, and to the extent, the requirement for Franchisee to purchase products from a designated supplier is unlawful under Hawaii Law, that requirement will be void (to the extent unlawful) and Franchisee must purchase those products in accordance with Franchisor’s specifications and only from manufacturers and/or suppliers that have been approved by Franchisor and not later disapproved.

3. Release on Transfer. Section 13.3(d) of the Franchise Agreement is amended to read as follows:

(d) Franchisee must sign at the time of Transfer an agreement terminating this Agreement (unless this Agreement will be assigned to the transferee--see subsection (f) below) and must sign an agreement, in the form specified by Franchisor, releasing Franchisor and its affiliates, owners, officers, directors, employees and agents from any and all claims and causes of action, excluding only such claims as the Franchisee may have under the Hawaii Franchise Investment law;

4. Effectiveness of Amendment. Each provision of this Amendment is effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Hawaii Franchise Investment Law are met independently without reference to this Amendment.

SAVVY SLIDERS FRANCHISE LLC

FRANCHISEE

By: _____

By: _____

Its: _____

Its: _____

**ADDENDUM TO SAVVY SLIDERS FRANCHISE LLC
FRANCHISE AGREEMENT FOR USE IN THE STATE OF ILLINOIS**

THIS ADDENDUM is made this _____ day of _____, 20____, and modifies a Franchise Agreement of the same date entered into by Savvy Sliders Franchise LLC, a Michigan corporation (“Franchisor”) and _____ (“Franchisee”).

In recognition of the requirements of the Illinois Franchise Disclosure Act, Ill. Comp. State. §§ 705/1 to 705/44, the parties agree as follows:

1. Renewal. Section 3.2 of the Franchise Agreement is amended by adding the following paragraph:

If any of the provisions of this Section 3.2 concerning renewal are inconsistent with Section 20 of the Illinois Franchise Disclosure Act of 1987, then said Illinois law will apply.

2. Termination. Article 14 of the Franchise Agreement is amended by the addition of the following Section 14.7:

14.7 If any of the provisions of this Article 14 concerning termination are inconsistent with Section 19 of the Illinois Franchise Disclosure Act of 1987, then said Illinois law will apply.

3. Applicable Law. Section 16.3 of the Franchise Agreement is amended by adding the following:

Any provision of the Franchise Agreement specifying the application of the laws of a state other than Illinois is void with respect to franchises subject to Illinois law.

4. Venue. Section 16.4 of the Franchise Agreement is amended by adding the following:

Any provision of the Franchise Agreement specifying a state other than Illinois as the forum for arbitration or litigation is void with respect to any cause of action that is otherwise enforceable in the State of Illinois.

5. Illinois Franchise Disclosure Act. The Franchise Agreement is amended by the addition of the following paragraph as Section 19.14:

19.14 No condition, stipulation, or provision of this Agreement requiring Franchisee to waive compliance with any provision of the Illinois Franchise Disclosure Act or Illinois law will be valid or enforceable.

6. 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 Franchisor, franchise seller, or other person acting on behalf of Franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

7. Effectiveness of Amendment. Each provision of this Amendment is effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Illinois Franchise Disclosure Act of 1987 are met independently without reference to this Amendment.

SAVVY SLIDERS FRANCHISE LLC

FRANCHISEE

By: _____

By: _____

Its: _____

Its: _____

**ADDENDUM TO SAVVY SLIDERS FRANCHISE LLC
FRANCHISE AGREEMENT FOR USE IN THE STATE OF INDIANA**

THIS ADDENDUM is made this _____ day of _____, 20____, and modifies a Franchise Agreement of the same date entered into by Savvy Sliders Franchise LLC, a Michigan corporation (“Franchisor”) and _____ (“Franchisee”).

In recognition of the requirements of the Indiana Deceptive Franchise Practices Act, Indiana Code 23-2-2.7, the parties agree as follows:

1. Release on Renewal. The following language is added at the end of Section 3.2(g) of the Franchise Agreement:

"except those claims arising under the Indiana Deceptive Franchise Practices Law, Indiana Code 23-2-2.7."

2. Release on Transfer. The following language is added at the end of Section 13.3(d) of the Franchise Agreement:

"except those claims arising under the Indiana Deceptive Franchise Practices Law, Indiana Code 23-2-2.7."

3. Applicable Law. Section 16.3 of the Franchise Agreement is amended by adding the following at the end of that Section:

"Notwithstanding the foregoing, the Indiana Franchise Law (Indiana Code 23-2-2.5 and 23-2-2.7) will control where applicable."

4. Effectiveness of Addendum. Each provision of this Addendum is effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Indiana Deceptive Franchise Practices Law are met independently without reference to this Addendum.

SAVVY SLIDERS FRANCHISE LLC

FRANCHISEE

By: _____

By: _____

Its: _____

Its: _____

**ADDENDUM TO SAVVY SLIDERS FRANCHISE LLC
FRANCHISE AGREEMENT FOR USE IN THE STATE OF MARYLAND**

THIS ADDENDUM is made this _____ day of _____, 20____, and modifies a Franchise Agreement of the same date entered into by Savvy Sliders Franchise LLC, a Michigan corporation (“Franchisor”) and _____ (“Franchisee”).

In recognition of the requirements of the Maryland Franchise Registration and Disclosure Law, Annotated Code of Maryland, Article-Business Regulation, Title 14, §§ 14-201 to 14-233, the parties agree as follows:

1. Acknowledgements of Franchisee. Article 17 of the Franchise Agreement is amended by adding the following Section 17.6 at the end of the Article:

17.6 The representations in this Article 17 are not intended to and will not act as a release, estoppel or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law. Franchisee acknowledges that any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within three years after the grant of the franchise.

2. Release on Renewal. Section 3.2(g) of the Franchise Agreement is amended to read as follows:

Franchisee has signed a general release, in a form specified by Franchisor, of any and all claims against Franchisor, its subsidiaries and affiliates, and their respective officers, directors, agents and employees, except claims arising under the Maryland Franchise and Disclosure Law.

3. Release on Transfer. Section 13.3(d) of the Franchise Agreement is amended to read as follows:

(d) Franchisee must sign at the time of Transfer an agreement terminating this Agreement (unless this Agreement will be assigned to the transferee--see subsection (f) below) and must sign an agreement, in the form specified by Franchisor, releasing Franchisor and its affiliates, owners, officers, directors, employees and agents from any and all claims and causes of action, except claims arising under the Maryland Franchise Registration and Disclosure Law.

4. Choice of Law; Jurisdiction and Venue. Article 16 of the Franchise Agreement is amended by adding the following as Section 16.9:

16.9 Notwithstanding anything to the contrary in this Article 16, Franchisee may bring a claim against Franchisor under the Maryland Franchise Registration and Disclosure Law in any arbitration proceeding or, as applicable, in any Court of competent jurisdiction in the State of Maryland.

5. Limitations of Claims. Section 16.8 of the Franchise Agreement is amended by adding the following sentence at the end of the Section:

Notwithstanding the foregoing, Franchisee may bring a legal claim against Franchisor under the Maryland Franchise Registration and Disclosure Law within three years after the grant of the franchise.

6. Effectiveness of Amendment. Each provision of this Amendment is effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Maryland Franchise Registration and Disclosure Law are met independently without reference to this Amendment.

SAVVY SLIDERS FRANCHISE LLC

FRANCHISEE

By: _____

By: _____

Its: _____

Its: _____

**ADDENDUM TO THE SAVVY SLIDERS FRANCHISE LLC
FRANCHISE AGREEMENT FOR USE IN THE STATE OF MINNESOTA**

THIS ADDENDUM is made this _____ day of _____, 20____, and modifies a Franchise Agreement of the same date entered into by Savvy Sliders Franchise LLC, a Michigan corporation ("Franchisor") and _____ ("Franchisee").

In recognition of the requirements of the Minnesota Franchise Act, Minn. Stat., § 80C.01, et seq., and the Rules and Regulations promulgated under the Act by the Commissioner of Commerce, Minnesota Rule § 2860.4400, et seq., the parties agree as follows:

1. Release on Renewal. Section 3.2(g) of the Franchise Agreement is amended to read as follows:

Franchisee has signed a general release, in a form specified by Franchisor, of any and all claims against Franchisor, its subsidiaries and affiliates, and their respective officers, directors, agents and employees, excluding only such claims as Franchisee may have under the Minnesota Franchises Law and the Rules and Regulations promulgated by the Commissioner of Commerce.

2. Release on Transfer. Section 13.3(d) of the Franchise Agreement is amended to read as follows:

Franchisee must sign at the time of Transfer an agreement terminating this Agreement (unless this Agreement will be assigned to the transferee--see subsection (f) below) and must sign an agreement, in the form specified by Franchisor, releasing Franchisor and its affiliates, owners, officers, directors, employees and agents from any and all claims and causes of action, excluding only such claims as the transferor may have under the Minnesota Franchises Law and the Rules and Regulations promulgated by the Commissioner of Commerce.

3. Renewal, Transfer and Termination. Article 14 of the Franchise Agreement is amended by adding the following paragraph:

Minnesota law provides franchisees with certain termination, non-renewal, and transfer rights. Minn. Stat. § 80.C.14, Subd. 3, 4, and 5 require, except in specified cases, that a franchisee be given 90 days notice of termination (with 60 days to cure) and 180 days notice of non-renewal of the Franchise Agreement, and that consent to the transfer of the franchise not be unreasonably withheld.

4. Damages for Loss of Bargain. Section 15.5 of the Franchise Agreement is amended to read as follows:

In the event of the termination of this Agreement following the Franchisee's default, in addition to any other remedies available, Franchisor will be entitled to seek Franchisor's damages attributable to the loss of bargain resulting from that termination.

5. Applicable Law; Jurisdiction and Venue. Article 16 of the Franchise Agreement is amended by adding the following paragraph:

Minn. Stat. § 80C.21, and Minn. Rule Part 2860.4400J prohibit franchisors from requiring litigation to be conducted outside Minnesota. In addition, nothing in this Agreement can abrogate or reduce any of your rights as provided for in Minnesota Statutes, Chapter 80C, or your rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.

6. Injunctive Relief. Section 16.5 of the Franchise Agreement is modified to read as follows:

Franchisor will have the right to request specific enforcement of the terms of this Agreement from a court of competent jurisdiction, by temporary or permanent injunctions or other equitable relief. Franchisor will have the right to request injunctive relief to prevent Franchisee from engaging in the following acts, which Franchisee acknowledges would cause irreparable harm to Franchisor: (a) using any of the rights franchised by this Agreement in any manner not authorized in this Agreement; (b) engaging in operations in violation of the in-term and post-term restrictions on competition set forth in Article 12; (c) disclosing to any person or using the trade secrets or confidential information of Franchisor in violation of the terms of this Agreement; (d) transferring or assigning this Agreement or the assets of the Franchise Business without complying with this Agreement; (e) engaging in acts or practices in violation of applicable laws and regulations or that are fraudulent, dishonest or create health or other hazards to the public; or (f) significantly impairing the goodwill associated with Franchisor. Franchisor's rights to obtain injunctive relief are in addition to all other remedies available to Franchisor under applicable law.

7. Limitation of Claims. Section 16.8 of the Franchise Agreement is deleted.

8. 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 Franchisor, franchise seller, or other person acting on behalf of Franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

9. Effectiveness of Amendment. Each provision of this Amendment is effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Minnesota Franchise Act, Minn. Stat., §§ 80C.01 through 80C.22, and the Rules and Regulations promulgated under the Act by the Minnesota Commissioner of Commerce, Minn. Rule §§ 2860.0100 through 2860.9930, are met independently without reference to this Addendum.

SAVVY SLIDERS FRANCHISE LLC

FRANCHISEE

By: _____

By: _____

Its: _____

Its: _____

**ADDENDUM TO THE SAVVY SLIDERS FRANCHISE LLC
FRANCHISE AGREEMENT FOR USE IN THE STATE OF NEW YORK**

THIS ADDENDUM is made this _____ day of _____, 20____, and modifies a Franchise Agreement of the same date entered into by Savvy Sliders Franchise LLC, a Michigan corporation (“Franchisor”) and _____ (“Franchisee”).

In recognition of the requirements of the New York Franchise Law, Article 33 of the General Business Law of the State of New York, the parties agree as follows:

1. Release on Renewal and Transfer. Sections 3.2(g) and 13.3(d) of the Franchise Agreement are amended by adding the following proviso at the end of each Section:

Provided, however, that all rights enjoyed by Franchisee and any causes of action arising in Franchisee's favor from the provisions of Article 33 of the General Business Law of the State of New York and the regulations issued under that law will remain in force; it being the intent of this proviso that the non-waiver provisions of GBL 687.4 and 687.5 be satisfied.

2. Applicable Law. Section 16.3 of the Franchise Agreement is amended by adding the following sentence:

This choice of law provision will not be considered a waiver of a right of Franchisee under the provisions of Article 33 of the General Business Law of the State of New York.

3. Effectiveness of Amendment. This Amendment is effective only to the extent, with respect to such provision, that the jurisdictional requirements of the New York Franchise Law, Article 33 of the General Business Law of the State of New York, are met independently without reference to this Amendment.

SAVVY SLIDERS FRANCHISE LLC

FRANCHISEE

By: _____

By: _____

Its: _____

Its: _____

**ADDENDUM TO SAVVY SLIDERS FRANCHISE LLC
FRANCHISE AGREEMENT FOR USE IN THE STATE OF NORTH DAKOTA**

THIS ADDENDUM is made this ____ day of _____, 20____, and modifies a Franchise Agreement of the same date entered into by Savvy Sliders Franchise LLC, a Michigan corporation (“Franchisor”) and _____ (“Franchisee”).

In recognition of the requirements of the North Dakota Franchise Investment Law, Chapter 51-19 of the North Dakota Century Code, the parties agree as follows:

1. Covenants Not to Compete. Article 12 of the Franchise Agreement is amended by adding the following paragraph:

The covenants not to compete stated in this Article are subject to Section 9-08-06 of the North Dakota Century Code.

2. Damages for Loss of Bargain. Section 15.5 of the Franchise Agreement is amended to read as follows:

In the event of the termination of this Agreement following the Franchisee’s default, in addition to any other remedies available, Franchisor will be entitled to seek Franchisor’s damages attributable to the loss of bargain resulting from that termination.

3. Applicable Law. Section 16.3 of the Franchise Agreement is deleted.

4. Venue for Litigation. Section 16.4 of the Franchise Agreement is deleted.

5. Limitation of Adjudicative Proceedings. Section 16.7 of the Franchise Agreement is deleted.

6. **THE SECURITIES COMMISSIONER HAS HELD THE FOLLOWING TO BE UNFAIR, UNJUST OR INEQUITABLE TO NORTH DAKOTA FRANCHISEES (SECTION 51-19-09, N.D.C.C.):**

(a) Restrictive Covenants: Franchise disclosure documents which disclose the existence of covenants restricting competition contrary to Section 9-08-06, N.D.C.C., without further disclosing that such covenants will be subject to the statute.

(b) Situs of Arbitration Proceedings: Franchise agreements providing that the parties must agree to the arbitration of disputes at a location that is remote from the site of the franchisee’s business.

(c) Restrictions on Forum: Requiring North Dakota franchisees to consent to the jurisdiction of courts outside of North Dakota.

(d) Liquidated Damages and Termination Penalties: Requiring North Dakota franchisees to consent to liquidated damages or termination penalties.

(e) Applicable Laws: Franchise agreements, which specify that they are to be governed by the laws of a state other than North Dakota.

(f) Waiver of Trial by Jury: Requiring North Dakota franchises to consent to a waiver of a trial by jury.

(g) Waiver of Exemplary and Punitive Damages: Requiring North Dakota franchisees to consent to a waiver of exemplary and punitive damages.

(h) General Release: Franchise agreements that require the franchisee to sign a general release on renewal of the franchise agreement.

(i) Limitation of Claims: Franchise Agreements that require the franchisee to consent to a limitation of claims. The statute of limitations under North Dakota law applies.

(j) Enforcement of Agreement: Franchise Agreements that require the franchisee to pay all costs and expenses incurred by the franchisor in enforcing the agreement. The prevailing party in any enforcement action is entitled to recover all costs and expenses including attorneys' fees.

7. Effectiveness of Amendment. Each provision of this Amendment is effective only to the extent, with respect to such provision, that the jurisdictional requirements of the North Dakota Franchise Investment Law, N.D. Cent. Code §§ 51-19-17, are met independently without reference to this Amendment.

SAVVY SLIDERS FRANCHISE LLC

FRANCHISEE

By: _____

By: _____

Its: _____

Its: _____

**ADDENDUM TO SAVVY SLIDERS FRANCHISE LLC
FRANCHISE AGREEMENT FOR USE IN THE STATE OF RHODE ISLAND**

THIS ADDENDUM is made this _____ day of _____, 20____, and modifies a Franchise Agreement of the same date entered into by Savvy Sliders Franchise LLC, a Michigan corporation ("Franchisor") and _____ ("Franchisee").

In recognition of the requirements of the Rhode Island Franchise Investment Act, §§ 19-28.1-1 through 19-28.1-34, the parties agree as follows:

1. Applicable Law. Article 16 of the Franchise Agreement is amended by adding the following:

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

2. Effectiveness of Amendment. This Amendment is effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Rhode Island Franchise Investment Act, §§ 19-28.1-1 through 19-28.1-34, are met independently without reference to this Amendment.

SAVVY SLIDERS FRANCHISE LLC

FRANCHISEE

By: _____

By: _____

Its: _____

Its: _____

**ADDENDUM TO SAVVY SLIDERS FRANCHISE LLC
FRANCHISE AGREEMENT FOR USE IN THE STATE OF WASHINGTON**

THIS ADDENDUM is made this _____ day of _____, 20____, and modifies a Franchise Agreement of the same date entered into by Savvy Sliders Franchise LLC, a Michigan corporation ("Franchisor") and _____ ("Franchisee").

In recognition of the requirements of the Washington Franchise Investment Protection Act, the parties agree as follows:

1. Washington Law. The Franchise Agreement is amended by adding the following paragraphs:

The State of Washington has a statute, RCW 19.100.180, which may supersede the Franchise Agreement in Franchisee’s relationship with Franchisor, including the areas of termination and renewal of Franchisee’s franchise. There may also be court decisions that may supersede the Franchise Agreement in Franchisee’s relationship with Franchisor including the areas of termination and renewal of Franchisee’s franchise.

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

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

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

2. Effectiveness of Amendment. Each provision of this Amendment is effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Washington Franchise Investment Protection Act are met independently without reference to this Amendment.

SAVVY SLIDERS FRANCHISE LLC

FRANCHISEE

By: _____

By: _____

Its: _____

Its: _____

**ADDENDUM TO THE SAVVY SLIDERS FRANCHISE LLC
FRANCHISE AGREEMENT FOR USE IN THE STATE OF WISCONSIN**

THIS ADDENDUM is made this _____ day of _____, 20____, and modifies a Franchise Agreement of the same date entered into by Savvy Sliders Franchise LLC, a Michigan corporation ("Franchisor") and _____ ("Franchisee").

In recognition of the requirements of the Wisconsin Fair Dealership Law, Ch. 135, Stats., the parties agree as follows:

1. Applicable Law. Section 16.3 of the Franchise Agreement is amended by adding the following sentence:

Chapter 135, Stats., Wisconsin Fair Dealership Law, supersedes any provision of the Franchise Agreement or any other agreement inconsistent with that law.

2. Effectiveness of Amendment. Each provision of this Addendum is effective only to the extent that the jurisdictional requirements of the Wisconsin Fair Dealership Law are met independently without reference to this Amendment.

SAVVY SLIDERS FRANCHISE LLC

FRANCHISEE

By: _____

By: _____

Its: _____

Its: _____

EXHIBIT M

STATE EFFECTIVE DATES AND RECEIPTS

STATE EFFECTIVE DATES

The following states have franchise laws that require that the Franchise Disclosure Document be registered or filed with the states, 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:

<u>State</u>	<u>Effective Date or Status</u>
California	
Hawaii	
Illinois	
Indiana	
Maryland	
Michigan	July 19, 2023
Minnesota	
New York	
North Dakota	
Rhode Island	
South Dakota	
Virginia	
Washington	
Wisconsin	

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 other seller-assisted marketing plans.

RECEIPT

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

If Savvy Sliders 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.

Iowa, New York, and Rhode Island require that Savvy Sliders gives you this disclosure document at the earlier of the first personal meeting or 10 business days before you sign a binding agreement or pay any consideration that relates to the franchise relationship.

Michigan and Oregon require that Savvy Sliders gives you this disclosure document at least 10 business days before you sign a binding agreement or pay any consideration, whichever occurs first.

If Savvy Sliders 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 applicable state agency.

The name, principal business address and telephone number of each franchise seller offering the franchise *[you should write-in the names of any employees, agents or brokers of the franchisor if you have had significant contact with the person and the person is not otherwise listed]:*

Happy Asker 30955 Northwestern Highway, Suite 300 Farmington Hills, MI 48334 Phone: (248) 538-0000		
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Issuance Date: May 8, 2024. I received a Franchise Disclosure Document dated May 8, 2024, which included the following Exhibits:

	Notice under Michigan Franchise Law		
A	List of State Administrators and Agents for Service of Process	G	Table of Contents of Operations Manual
B	Franchise Agreement	H	Confidentiality/Non-Competition Agreement
C	Addendum to Franchise Agreement-Renewal	I	List of Franchisees and Restaurants
D-1	Assignment and Assumption of Franchise Agt.	J	List of Franchisees that Recently Left
D-2	Addendum to Franchise Agreement-Transfer	K	Financial Statements
D-3	Franchise Termination and Release Agreement	L	State Specific Disclosures and Addenda
E	Co-Brand Addendum	M	State Effective Dates and Receipts
F	Lease Addendum		

Please complete any applicable franchise seller information above and then sign and date this Receipt and mail it, fax it, or email it to Happy Asker at: 30955 Northwestern Highway, Suite 300, Farmington Hills, Michigan 48334; fax number (248) 538-0011; email: franchising@savysliders.com. Or you may return your receipt to the email address of the person who furnished you with the Franchise Disclosure Document.

Dated: _____

[sign]

[print name (and title if applicable)]

[print name of entity if applicable]

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Dated: _____

[sign]

[print name (and title if applicable)]

[print name of entity if applicable]