

FRANCHISE DISCLOSURE DOCUMENT



WSR Franchise, LLC,
a Georgia limited liability company
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WSR Franchise, LLC offers franchises for the operation of a business offering restaurant brokerage services, franchise resale services for the food industry, restaurant site selections services, and consulting services related to restaurant sales and site selection issues (“**Restaurant Brokerage Business**”).

The total investment necessary to begin operation of a Standard Franchise ranges from \$60,875 to \$95,650. This includes initial fees of \$40,500 that must be paid to the franchisor. The total investment necessary to begin operation of a Conversion Franchise ranges from \$50,875 to \$85,650. This includes initial fees of \$30,500 that must be paid to the franchisor to convert your existing business to a Restaurant Brokerage Business.

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

You may wish to receive your disclosure document in another format that is more convenient for you. To discuss the availability of disclosures in different formats, contact Eric Gagnon at 5055 N. Oceanshore Boulevard, Palm Coast, Florida 32137, and (404) 800-6700.

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

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

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

The issuance date: March 15, 2021

How to Use This Franchise Disclosure Document

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

QUESTION	WHERE TO FIND INFORMATION
How much can I earn?	Item 19 may give you information about outlet sales costs, profits or losses. You should also try to obtain this information from others, like current and former franchisees. You can find their names and contact information in Item 20 or Exhibit C.
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 A 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 We Sell Restaurants 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 We Sell Restaurants franchisee?	Item 20 or Exhibit C lists current and former franchisees. You can contact them to ask about their experiences.
What else should I know?	These questions are only a few things you should look for. Review all 23 Items and all Exhibits in this disclosure document to better understand this franchise opportunity. See the table of contents.

What You Need To Know About Franchising *Generally*

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

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

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

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

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

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

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

Some States Require Registration

Your state may have a franchise law, or other law, that requires a franchisor to register before offering or selling 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 D.

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

Special Risks to Consider About *This* Franchise

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

1. **Out-of-State Dispute Resolution.** The franchise agreement requires you to resolve disputes with the franchisor by arbitration only in Georgia. Out-of-state arbitration may force you to accept a less favorable settlement for disputes. It may also cost you more to arbitrate with the franchisor in Georgia than in your own state.
2. You must make minimum royalty, advertising, and other payments, regardless of your sales levels. Your inability to make the payments may result in termination of your franchise and loss of your investment.

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

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EXHIBITS:

- Exhibit A Financial Statements
- Exhibit B Franchise Agreement
- Exhibit C List of Franchisees as of 12/31/2020
- Exhibit D List of State Agencies and Agents for Service
- Exhibit E Statement of Franchisee
- Exhibit F Operations Manual Table of Contents
- Exhibit G Non-Disclosure and Confidentiality Agreement
- Exhibit H State Law Addenda
- Exhibit I State Effective Dates
- Exhibit J Receipt

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

The Franchisor is WSR Franchise, LLC, and is referred to in this Disclosure Document as the “**WSR**,” “**we**,” “**us**” or “**our**.” “**You**” or “**your**” means the person, corporation, partnership or other business entity that buys the franchise, the “**Franchisee**.” If you are a business entity, “**you**” includes your owners and the provisions of the franchise agreement also apply to them.

The Franchisor, Predecessor and Affiliates

We are a Georgia limited liability company formed on July 26, 2011. We do business under the name “We Sell Restaurants.” Our principal business address is 5055 N. Oceanshore Boulevard, Palm Coast, Florida 32137. We began offering franchises for Restaurant Brokerage Businesses in August 2011. We currently do not operate any Restaurant Brokerage Businesses.

We have a parent, WSR Holdings, LLC (“**Holdings**”). Holdings is a Georgia limited liability company, formed on July 26, 2011. The principal address for Holdings is 5055 N. Oceanshore Boulevard, Palm Coast, Florida 32137. Holdings does not operate any Restaurant Brokerage Businesses or sell franchises in this or any other line of business.

We have 1 affiliate (“**Affiliate**”) that is also our predecessor. We Sell Restaurants, Inc., is a Georgia corporation formed on July 27, 2004. Its principal business address is 5055 N. Oceanshore Boulevard, Palm Coast, Florida 32137. Since 2005, We Sell Restaurants, Inc. has operated a Restaurant Brokerage Business in Georgia and Florida similar to the business you will operate. We Sell Restaurants, Inc. does not offer any franchises in this or any other line of business.

Our agent and address for service of process in Georgia is Patrick Norris at 1100 Peachtree Street, NE, Suite 690, Atlanta, GA 30309. Our other agents for service of process are disclosed on **Exhibit D**.

The Business

We offer franchises to use our “**WE SELL RESTAURANTS**®” trademarks, trade names, service marks and logos (“**Marks**”) in the operation of Restaurant Brokerage Businesses. The franchise is operated under a business format per a unique system, including our valuable know-how, information, trade secrets, methods, Operations Manual, standards, designs, methods of trademark usage, copyrights, sources and specifications, confidential electronic and other communications, methods of Internet usage, marketing programs, and research and development connected with a business offering Restaurant brokerage services, Restaurant site selection services, and consulting services related to Restaurant sales and site selection issues in the operation and promotion of Restaurant Brokerage Businesses (“**System**”). We reserve the right to change or otherwise modify the System at any time in our sole discretion. Each Restaurant Brokerage Business offers a variety of services to purchasers and sellers of restaurants.

You must operate your Restaurant Brokerage Business using our standard business operating practices and operations manual and sign our standard franchise agreement (“**Franchise**

Agreement”). We reserve the right to add, modify, or delete any services that you must offer or sell at your Restaurant Brokerage Business at any time in our sole discretion. You must also obtain all necessary permits, licenses and approvals to operate your Restaurant Brokerage Business, including a license to operate as a real estate broker, where applicable, in each state in which your Restaurant Brokerage Business is located.

We offer 2 types of franchises, a standard franchise (“**Standard Franchise**”) and a conversion franchise (“**Conversion Franchise**”). A Standard Franchise is available to anyone who is not currently operating a WSR Restaurant Brokerage Business or an independent restaurant brokerage business. As a Standard Franchise operator, you may operate 1 WSR Restaurant Brokerage Business for each Franchise Agreement you sign with us.

If you are not a current franchisee and you own an independent restaurant brokerage business, you may purchase a Conversion Franchise if you meet our requirements. As a Conversion Franchise operator, you will sign a standard Franchise Agreement, but you will pay a Conversion Fee instead of an Initial Franchise Fee.

Regulations

Many states and local jurisdictions have laws, regulations, and ordinances that may apply to the operation of your Restaurant Brokerage Business, and you must comply with all local codes, regulations, and licensing requirements. For example, state registration, real estate licensing requirements or business brokerage licensing requirements may apply to agents engaging in business brokerage in your area and you may be required to obtain a real estate license or otherwise register before operating as a business broker. Some states also require franchised business brokers to identify themselves as franchised business brokers when offering their services to the public. You must investigate these laws and consult with local agencies and a legal advisor about whether these and/or other requirements apply to your business.

You must obtain all required licenses and permits and ensure that your employees, agents, and others providing Restaurant Brokerage Services to restaurant companies, franchise companies or franchisees and Site Selection Services to customers on behalf of your Restaurant Brokerage Business have all required licenses and permits. The failure to maintain the proper licensing is a material breach of the Franchise Agreement.

Your Restaurant Brokerage Business will also have to comply with various federal, state and local laws and regulations that apply to all businesses. For example, your Restaurant Brokerage Business is subject to laws relating to occupational health and safety, zoning regulations, wage and hour laws, the Americans with Disabilities Act, Fair Housing Laws, and the Real Estate Settlement and Procedures Act. You should familiarize yourself with these laws before deciding to purchase a franchise and license to operate a Restaurant Brokerage Business from us.

Market Competition

Your Restaurant Brokerage Business will compete with other businesses offering business brokerage, commercial real estate sales and leasing, site selection services, business valuations,

business consulting, and franchise sales and resale services including franchised operations, national chains, independent brokers and agents, and independently owned companies. You will also face normal business risks such as changes in the economy or real estate markets that could have an adverse effect on your Restaurant Brokerage Business. The availability of capital within the marketplace for selling and purchasing restaurants may affect the market in which you will operate. The commercial business brokerage market is well developed and is highly competitive.

The success of the System is dependent on key personnel, the loss of whom could have an adverse effect on us. Our ability to fulfill our obligations under our Franchise Agreement depends in part on our present and future financial condition. Litigation risks also exist, which may not be foreseeable.

ITEM 2 BUSINESS EXPERIENCE

President: Eric Gagnon

Mr. Gagnon has been our President since our formation in July 2011. Mr. Gagnon also serves as the President of Holdings and has done so since its formation in July 2011. He has also served as President of We Sell Restaurants, Inc. since its formation in July 2004.

Vice President: Robin Gagnon

Ms. Gagnon has been our Vice President since our formation in July 2011. Ms. Gagnon also serves as the Vice President of Holdings and has done so since its formation in July 2011. She has also served as Vice President of We Sell Restaurants, Inc. since June 2006.

ITEM 3 LITIGATION

No litigation is required to be disclosed in this Item.

ITEM 4 BANKRUPTCY

No bankruptcy is required to be disclosed in this Item.

ITEM 5 INITIAL FEES

Initial Franchise Fee

If you are purchasing a Standard Franchise, you must pay us an initial franchise fee of \$40,000 when you sign the Franchise Agreement. It is fully earned upon payment and is not

refundable under any circumstance. The initial franchise fee is uniformly imposed on all franchisees.

Conversion Fee

If you own an existing restaurant brokerage business, you may become a Franchisee by converting your existing business to a WSR Restaurant Brokerage Business. To qualify to purchase a Conversion Franchise, you must have operated your existing business for at least 1 year at the time of conversion and meet our standards as we determine in our discretion. You must pay us a conversion franchise fee of \$30,000 when you sign the Franchise Agreement and it is not refundable under any circumstances.

Veteran's Program

We are a member of the International Franchise Association and participate in IFA's VetFran Program, which provides special financial incentives to qualified veterans. For qualified U.S. military veterans, we may discount the initial franchise fee by 25%. This discount does not apply to the Conversion franchise fee.

Other Initial Payments

Upon signing a Franchise Agreement, you must also pay us or an Affiliate an initial website setup fee of \$500 to configure your Computer System with our web-based software and business management system.

You will not pay WSR or an Affiliate any other fees for services or goods before your We Sell Restaurants business opens.

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**ITEM 6
OTHER FEES**

Type of Fee	Amount	Due Date	Remarks
Royalty Fee (1) [†]	A monthly fee equal to or the greater of the following: \$0 – 1 st 4 months after training; \$500 - months 5-12; \$750 - months 13-24; \$1,000 - months 25-120; or 15% of Gross Revenues for each month	Payable monthly on or before the 10 th of each month. If you permit a party to finance or otherwise extend the time of payment of your sales commission, the full Royalty Fee must be paid to us within 1 month of closing of the sale of the applicable business.	Gross Revenues is all revenue generated by the franchise operation (“ Gross Revenues ”). Each Royalty Fee payment must be accompanied by a statement of the previous month’s Gross Revenues.
Franchise Marketing Accrual Fund Contribution (2) [†]	The greater of 2% of Gross Revenues or \$150 per month (“ Minimum Individual Advertising Expense ”). (3)	Payable monthly on or before the 10 th of each month.	We have set the initial Franchise Marketing Accrual Fund Contribution at 2%. However, we may decrease the National Marketing and Promotions Fee, at our discretion, down to a minimum of 1% of Gross Revenues. We reserve the right to require you to pay your National Marketing and Promotions Fee on a more frequent basis, including weekly.
Local Advertising	Will vary under circumstances.	As incurred.	We will determine your minimum expenditure on Local Advertising based on your performance and local market conditions.
Cooperative Advertising	As determined by members of the cooperative. (3)	As determined by members of the cooperative.	Members of each cooperative will determine the amount that each member contributes for advertising and marketing programs.
Website Support and Franchisee listings [†]	\$750 per month for you and up to two agents and currently \$150 for any enhancement to the website. (4)	Payable monthly on or before the 10 th of each month.	The Website Support Fee may be changed by us from time to time.
Insurance	Varies	As incurred.	Insurance required may be changed by us.

Type of Fee	Amount	Due Date	Remarks
Additional Agent Training Fee †	\$2,000 per Agent, plus travel and living expenses.	30 days before the initial training course begins.	Each of your Agents must complete the 5-business day initial training course to our satisfaction prior to becoming affiliated with your Restaurant Brokerage Business. This fee is nonrefundable unless you cancel the training appointment 14 days before it is scheduled to begin, cancellation fees may apply.
Transfer Fee †	\$15,000	Before acceptance of transfer.	Payable before you transfer your franchise.
Successor Franchise Fee †	\$5,000	Upon signing the Successor Franchise Agreement.	We reserve the right to increase this fee based upon market demand.
Audit †	Cost of audit.	As incurred.	Payable only if audit shows an understatement of at least 2% of Gross Revenues for any 1 month.
Late Fee †	10% of the amount due accumulating for each month past due.	As incurred.	Applies after any payment is past its due date.
Indemnification †	Will vary under circumstances.	As incurred.	You must reimburse us if we are held liable for claims arising from your Restaurant Brokerage Business.
Cost of Enforcement or Defense †	All costs including accounting and attorneys' fees.	Upon settlement or conclusion of claim or action.	You must reimburse us if we incur any expenses in enforcing our rights against you under the Franchise Agreement.
Interest †	1½% per month on amounts unpaid	As incurred.	Begins to accrue after any payment is due and unpaid.
Late Report Fee †	The higher of 5% of the reported amount or \$100 per violation.	As incurred.	Payable only if a required report or financial statement is not delivered when due.
Termination Fee †	\$25,000	Upon termination of Franchise Agreement for any reason.	Payable as liquidated damages and not as a penalty.

† Denotes fees which are imposed and payable to us or our Affiliate. All fees paid to us or our Affiliate are non-refundable under any circumstances once paid except otherwise noted. Fees paid to vendors or other suppliers may or may not be refundable depending on your vendors and suppliers. We reserve the right to require you to pay fees and other amounts due to us via

electronic funds transfer (“**EFT**”) or other similar means, including requiring you to pay via credit or debit card, as described in the Franchise Agreement. If payments are required in this method, you must comply with our procedures and perform all acts and deliver and sign all documents, including authorization (in the form attached to the Franchise Agreement as Attachment D or any other form that we may accept) for direct debits from your business bank operating account, which may be necessary to assist in or accomplish payment by this method. Under this procedure, you will authorize us to initiate debit entries and/or credit correction entries to a designated checking or savings account for payments of fees and other amounts payable to us and any interest that may be due. You must make the funds available to us for withdrawal by electronic transfer no later than the payment due date. If you have not timely reported your Restaurant Brokerage Business's Gross Revenues to us for any reporting period, then we will be authorized, at our option, to debit your account for (a) the fees transferred from your account for the last reporting period for which a report of the Restaurant Brokerage Business's Gross Revenues was provided to us, or (b) the amount due based on information retrieved from any approved Computer System.

Notes: (1) **Royalty Fee.** The Royalty Fee is equal to or the greater of 15% of Gross Revenues for each month or partial month of the Term and any Interim Period or during the first 4 months after training: \$0; months 5 through 12: \$500; months 13 through 24: \$750; and months 25 through 120: \$1,000. Our Royalty Fee is based on brokerage revenues and does not include Agent commission revenue. Our unique Royalty Fee allows you the flexibility in brokerage transaction fees charged to your Agents and our Royalty Fees are tied more closely to the financial success of the brokerage agency, not the Agents. The Royalty Fee is payable to us on or before the 10th day of each month for the preceding calendar month and is payable through the entire Initial Term of this Agreement and any Interim Period. You will pay the Royalty Fee monthly or in any other frequency, including as part of the closing of each transaction, as we may in our sole discretion require upon written notice to you. In addition, in no event shall you agree to less than a 10% commission on the sale of each property without our prior written approval. If you agree to a reduced commission without our prior written approval, you shall still be responsible for the payment of a Royalty Fee to us as if you received a 10% commission on the applicable sale. The minimum per transaction royalty fee payable to us is \$1,000.

These minimums do not apply to any transaction where you are a co-broker. In such case, the minimum royalty payable to us shall be the greater of: (i) 5% of the Gross Revenues for the applicable transaction; or (ii) \$500 for each co-brokered transaction.

- (2) **Franchise Marketing Accrual Fund.** The Franchise Marketing Accrual Fund (“**FMAF**”) contribution must be made by check, EFT or, if required by us, credit or debit card. FMAF contributions may be paid in the same check as Royalties. As of the date of the franchise disclosure document, we have not established the Marketing Accrual Fund.
- (3) If **Cooperative Advertising** is established in your area, you will be required to join. The amount of your contribution to the Cooperative will be determined by its

members. We will not contribute to the Cooperative nor will we have any voting power. However, we reserve the right to review each Cooperative's contribution rate annually and disapprove a rate of less than 1% of Gross Revenues. As of the date of this disclosure document, we have not established any Cooperative Advertising.

- (4) The **Minimum Individual Advertising Expense** and the **Website Support Fee** are designed to support you and 1 agent. Additional agents will result in a higher fee set by us.

All fees listed in this Item are uniformly imposed on all franchisees and are non-refundable.

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**ITEM 7
ESTIMATED INITIAL INVESTMENT**

YOUR ESTIMATED INITIAL INVESTMENT

Type of Expenditure (1)	Amount	Method of Payment	When Due	To Whom Payment is to be Made
Initial Franchise Fee (2)	\$40,000	Lump sum	Upon signing the Franchise Agreement	Us
Travel and living expenses while training (3)	\$1,500 - \$3,000	As incurred	As incurred	Airlines, hotels, restaurants
Initial Direct Mail Market Opening Campaign (4)	\$2,500	Lump Sum	30 days prior to opening	Vendor
Computer Hardware and Software (5)	\$1,100 - \$4,500	Lump sum	When Purchased	Suppliers, vendors
Website Setup Fee	\$500	Lump sum	As incurred	Us
Office Equipment and Supplies (6)	\$350 - \$800	As incurred	At delivery	Suppliers
Telecommunications	\$1,600 - \$1,900	Lump sum	When purchased and as incurred	Suppliers
Marketing materials (7)	\$500 - \$1,200	As incurred	At delivery	Suppliers
Errors and omissions insurance	\$1,000 - \$3,000	Lump sum	As incurred	Insurance provider
Automobile insurance (8)	\$700 - \$3,000	Monthly	As incurred	Insurance provider
Licenses and dues (9)	\$125 - \$1,250	Lump sum	As incurred	Governmental authorities and other organizations
Legal and accounting fees	\$1,000 - \$4,000	As incurred	Varied times	Suppliers
Additional funds — first 3 months (10)	\$10,000 - \$30,000	As incurred	Varied times	Suppliers, vendors
TOTAL ESTIMATE: \$60,875 - \$95,650(11)				

Notes:

- (1) **Type of Expenditure.** The high and low ranges in the table are based on an average for a 1 Restaurant Brokerage Business for the first 3 months of operations. Fees and expenses paid to vendors or other third parties may or may not be refundable depending on the arrangements you make with them.
- (2) **Initial Franchise Fee.** The initial franchise fee may be reduced by up to 25% for qualified U.S. military veterans as determined by us in our sole discretion and in accordance with our

participation in the IFA VetFran Program. For a qualified conversion franchise, the Conversion Franchise Fee is \$30,000.

- (3) **Travel and Living Expenses While Training.** We provide initial training for up to 2 people for 5 business days at our office located in Palm Coast, Florida or at another location designated by us. You must pay for airfare, meals, transportation costs, salaries, benefits, lodging and incidental expenses for all initial training program attendees.
- (4) **Initial Direct Mail Market Opening Campaign.** You must pay Vendor \$2,500 in within 30 days of the day you first begin operating your Restaurant Brokerage Business for an initial direct mail market opening campaign in your new territory (“**Initial Direct Mail Market Opening Campaign**”).
- (5) **Computer Hardware and Software.** The estimated initial investment includes costs related to the purchase of specified computer hardware and software, including a laptop computer and a scanner. If you already have the specified computer hardware and software, you do not need to purchase new equipment as long as it is not more than 4 years old. If we require, you must provide us with electronic access to certain daily information.
- (6) **Office Equipment and Supplies.** Your initial office equipment and supplies will typically include a copier/fax machine, letterhead, and paper.
- (7) **Marketing Materials.** Your initial marketing materials will typically include business cards, brochures, postcards, and other collateral.
- (8) **Automobile Insurance.** The actual amount of your insurance will vary depending on your driving history, make and model of your vehicle, and other factors.
- (9) **Licenses and Dues.** These amounts include the estimated cost of obtaining a license from a state agency to act as a commercial real estate broker, fees associated with registering your business with any city or county agency, and dues to local, state and national commercial real estate organizations, business brokerage boards, associations, or organizations which in our reasonable opinion are useful in the operation of your Restaurant Brokerage Business.
- (10) **Additional Funds – 3 months.** This is for budgeting purposes only to account for unanticipated expenses. This amount includes estimated operating expenses you should expect to incur during the first 3 months of operations, not including any revenue generated by your Restaurant Brokerage Business. It includes royalties, advertising, payroll costs, deposits, fees for city, state and local business licenses, business entity organization expenses, other prepaid expenses, accounting and professional fees, and other operational expenses. These figures do not include any taxes that you may pay. You should check with your local and state governmental agencies for any taxes that may be assessed.
- (11) **Total Estimated Initial Investment.** These figures are estimates only and reflect only the first 3 months of operations. You should review these figures carefully with a business advisor before making any decision to purchase the Restaurant Brokerage Business. You may incur

additional expenses starting your Restaurant Brokerage Business. Your costs depend on several factors, including how well you follow our methods and procedures; your management skill, experience and business acumen; local economic conditions; the local market for our services; the prevailing wage rate; competition; and sales levels reached by your Restaurant Brokerage Business during the initial period. We relied on our Parent and Affiliate to compile these estimates.

We nor any affiliate, finance any part of your initial investment.

ITEM 8 RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

You must provide specified services (“**Services**”). The Services include any and all assistance, guidance, recommendations, marketing and other services for the sale, transfer, or other disposition of restaurants (“**Restaurant Brokerage Services**”), the provision of site selection services to restaurant companies or franchisees (“**Site Selection Services**”), the provisions of consulting, valuation or professional witness services, due diligence services, or the provision of any ongoing advice regarding Restaurant-related issues (collectively, “**Consulting Services**”), or any other approved services conducted or otherwise provided by you and the Agents in connection with the Restaurant Brokerage Business or associated with the Marks. An “**Agent**” is a person or group of persons licensed to sell restaurants within the Territory who are affiliated with your Restaurant Brokerage Business and uses services provided by you pursuant to the Franchise Agreement. An Agent may be an employee of yours or an independent contractor. Prior to their affiliation with your Restaurant Brokerage Business, each of your Agents must complete our initial training course to our satisfaction. We reserve the right to require that you sell additional Services in your Restaurant Brokerage Business on 30 days' prior written notice to you. You must provide the Services per our specifications and standards in the Operations Manual. We reserve the right to change standards and specifications on 30 days' prior written notice to you.

We have standards and specifications for your equipment, dress code, supplies, forms, Services, advertising and marketing materials, and most other services used in, sold or provided through your Restaurant Brokerage Business. To maintain our standards of consistent, high quality services, customer recognition, advertising support, value and uniformity in Restaurant Brokerage Businesses, you must only use the approved supplies as specified in our Operations Manual. Currently, as specified in the Operations Manual, we require you to purchase certain marketing materials from our approved suppliers.

You may not contract for alternate supplies or with alternate suppliers directly. If you would like to offer for sale or use any alternate product, material, or supply or purchase any alternate products from a supplier that is not 1 of our approved suppliers, you must notify us in writing. You may need to submit samples and other information to us so that we can make an informed decision as to whether the product, material, supply, or supplier meets our specifications and quality standards. The criteria for approving suppliers are available to you in the Operations Manual. We may institute a trial period for the product, material, supply, or supplier. We may deny or revoke our approval of a supplier in our sole discretion if such supplier does not meet our established criteria. We reserve the right to charge you, or the approved supplier, for our approval

of supplies and/or supplier, and the charge will not exceed the reasonable cost of inspection and evaluation and the actual cost of the test. We will respond to your request in writing within 30 days from the date the request is received.

We do not have any purchasing or distribution co-operatives as of the date of this disclosure document. We may negotiate purchasing arrangements with suppliers and distributors of approved products for the benefit of our franchisees and we reserve the right to receive rebates and other payments on volume discounts based on your purchases from these suppliers and distributors and from our purchase of products that we may re-sell to you. We do not provide material benefits, such as renewing or granting additional franchises to franchisees, based on their use of our affiliates, designated suppliers, or approved suppliers.

We are not currently an approved supplier, but we reserve the right to become an approved supplier at any time in our sole discretion. None of our officers owns an economic interest in any of our approved suppliers. We may derive revenue from your purchases or leases of computer related hardware, software, goods, services, supplies, fixtures, equipment, inventory and products from our approved suppliers and distributors. We estimate that the purchase of these computers, software, hardware, computer related services, supplies, equipment, inventory, fixtures, goods, services and products from us or our designated or approved sources, or those meeting our standards and specifications, will be approximately 5% to 10% of your total cost to establish a Restaurant Brokerage Business and 10% to 20% of your total cost of operating a Restaurant Brokerage Business (not including amortization, depreciation, or replacement of worn or obsolete improvements, equipment or fixtures). In our last fiscal year that ended December 31, 2020, we did not derive any revenue from sales of goods and services to franchisees. Our total revenues in 2020 were \$365,379.

We reserve the right to require you to license from us or an Affiliate, approved suppliers, or designated suppliers, certain proprietary computer programs and related materials developed for use in the operation of your Restaurant Brokerage Business. If we require you to do so, we may require you to pay a separate license fee for the Software. The purchase of the Software license may include technical support and ongoing services, for which you may be charged.

You must respond to all emails, telephone calls, or other requests from any prospective buyer or seller of a restaurant received by your Restaurant Brokerage Business within 24 hours of receipt.

Under the franchise agreement, we own all business records (“Business Records”) with respect to customers and other service professionals of, and/or related to, the Restaurant Brokerage Business including all databases (whether in print, electronic or other form), including all names, addresses, telephone numbers, e-mail addresses, customer purchase records, and all other records contained in the database, and all other Business Records that will be created and maintained by you. At all times during and after the termination, expiration or cancellation of the Franchise Agreement, we may access such Business Records, and may utilize, transfer, or analyze such Business Records as we determine to be in the best interest of the System, in our sole discretion.

You must procure and maintain, at your own expense, insurance policies protecting you, us, our designated Affiliates, and the owners, officers, directors and employees of us and our designated Affiliates against any loss, liability, errors and omissions, business interruption, personal injury, death, property damage, or expense resulting from the operation of your Restaurant Brokerage Business and all services you provide in connection with the operation of your Restaurant Brokerage Business as we may require for your and our protection in our sole discretion in amounts set forth in the Operations Manual and Franchise Agreement (which may be adjusted periodically in our sole discretion). You must also procure and maintain all other insurance required by state or federal law, including workers' compensation insurance and unemployment insurance. The policies must also stipulate that we receive a 30-day prior written notice of cancellation or non-renewal and must contain endorsements by the insurance companies waiving all rights of subrogation against us. Original or duplicate copies of all insurance policies, certificates of insurance or other proof of insurance acceptable to us, including original endorsements effecting the coverage required by us must be furnished to us together with proof of payment within 10 days of issuance. You will also furnish us with certificates and endorsements evidencing this insurance coverage within 10 days after each of the following events: (i) at all policy renewal periods, not less than annually, and (ii) at all instances of any change to, addition to, or replacement of any insurance. The certificates and endorsements for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. All certificates and endorsements are subject to approval by us. If you fail to procure and maintain the required insurance coverage, we have the right and authority to procure the insurance coverage on your behalf and charge you, which charges, together with a reasonable fee for our expenses incurred in this procurement, you will pay immediately upon notice.

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**ITEM 9
FRANCHISEE'S OBLIGATIONS**

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

Obligation	Section in Agreement	Disclosure Document Item
a. Site selection and acquisition/lease	Sections 1 and 9	ITEM 11
b. Pre-opening purchases/leases	Sections 9 and 10	ITEM 8 & ITEM 11
c. Site development and other pre-opening requirements	Section 9	ITEM 6, ITEM 7 & 11
d. Initial and ongoing training	Sections 8 and 9	ITEM 11
e. Opening	Section 9	None
f. Fees	Sections 6, 7 and 12	ITEM 5 & ITEM 6
g. Compliance with standards and policies/operating manual	Section 9	ITEM 11
h. Trademarks and proprietary information	Section 11	ITEM 13 & ITEM 14
i. Restrictions on products/services offered	Sections 9 and 10	ITEM 8 & ITEM 16
j. Warranty and customer service requirements	None	None
k. Territorial development and sales quotas	Section 5	ITEM 11 & ITEM 12
l. Ongoing product/service purchases	Sections 9 and 10	ITEM 16
m. Maintenance, appearance and remodeling requirements	Sections 4 and 9	ITEM 7
n. Insurance	Section 13	ITEM 8
o. Advertising	Section 12	ITEM 11
p. Indemnification	Sections 11 and 13	None
q. Owner's participation/management/staffing	Section 9	ITEM 15
r. Records and reports	Section 7	ITEM 6 & ITEM 17
s. Inspection and audits	Sections 7, 8 and 9	ITEM 6
t. Transfer	Section 16	ITEM 17
u. Renewal	Section 4	ITEM 17
v. Post-termination obligations	Sections 11 and 18	ITEM 17
w. Noncompetition covenants	Section 15	ITEM 17
x. Dispute resolution	Section 20	ITEM 17

**ITEM 10
FINANCING**

We do not offer direct or indirect financing to you. We do not guarantee any of your note(s), lease(s) or other obligation(s).

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

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

Pre-opening Obligations

Before you open your Restaurant Brokerage Business, we (or our designee) will provide the following assistance and services to you.

1. We will agree upon your Territory. (See Section 8(3)1 of the Franchise Agreement and Attachment A to the Franchise Agreement)
2. We will approve your proposed office (“**Office**”). (See Section 8(3)2 of the Franchise Agreement) We do not have established criteria for your Office. We will not own premises or lease premises to you.
3. We will furnish you with the names and addresses of the approved suppliers, manufacturers and distributors used in connection with the operation of the business. (See Section 10 of the Franchise Agreement) We do not sell, deliver or install any items.
4. We will provide you with pre-training manuals for you to study prior to the initial training program. (See Section 9(2)1 of the Franchise Agreement)
5. Within 90 days after the execution of the Franchise Agreement and your receipt of all required licenses and permits, we will conduct a 5-business day training course for you, or if you are not an individual, your Designated Business Manager and up to 2 additional persons in Palm Coast, Florida or at another location designated by us (See Section 8(3)3 of the Franchise Agreement). A complete description of our training program is provided later in this Item.
6. We will loan you 1 copy of our confidential and proprietary Operations Manual before your attendance at the initial training course (See Section 8(3)4 of the Franchise Agreement). The table of contents for the Operations Manual is attached as Exhibit F.
7. We must approve the renovations to your Office necessary to comply with our standards and specifications and your compliance with the opening procedures for your Office as are set forth in the Operations Manual. (See Section 9(2)2 of the Franchise Agreement)
8. A representative of ours will provide a minimum of 3 days and a maximum of 5 days of field training to you in connection with the opening of your Restaurant Brokerage Business. (See Section 8(4)1 of the Franchise Agreement)

Continuing Obligations

During the term of the Franchise Agreement, we (or our designee) will provide the following assistance and services to you:

1. We will provide you with 3 to 5 days of additional training in your Territory regarding the operation of the Franchise Brokerage Business (See Section 8(4)1 of the Franchise Agreement).

2. We will make a representative available to speak with you on the telephone during regular business hours to discuss your operational experiences and support needs; provided, however, that questions regarding technological support may be referred to third parties (including our affiliates) who may charge a fee for providing you with these technological support services (See Section 8(4)2 of the Franchise Agreement).

3. We will hold periodic conferences, in our sole discretion, to discuss sales techniques, new service developments, bookkeeping, training, accounting, performance standards, advertising programs, marketing procedures, and other topics. These conferences may be held at our Palm Coast, Florida headquarters, your Office, or at a location chosen by us, as determined by us. You will be required to pay any conference fee charged by us and you must pay all of your travel and living expenses to attend. (See Section 8(4)3 of the Franchise Agreement)

4. We will hold a mandatory annual conference, in our sole discretion, to discuss sales techniques, new service developments, bookkeeping, training, accounting, performance standards, advertising programs, marketing procedures, and other topics. You must pay any conference fees charged by us, and all personal travel and living expenses. These mandatory annual conferences are held at our Palm Coast, Florida headquarters or at a location chosen by us. (See Section 8(4)4 of the Franchise Agreement)

5. We will post listings of Restaurants for sale on our national website and in other databases as determined by us. (See Section 8(4)5 of the Franchise Agreement)

6. We will provide search engine optimization for our website and other internet marketing support. (See Section 8(4)6 of the Franchise Agreement)

7. We will provide reports from time to time on business trends and business forecasts. (See Section 8(4)7 of the Franchise Agreement)

8. We will assist in social and traditional marketing campaigns as determined in our sole discretion. (See Section 8(4)8 of the Franchise Agreement)

9. We will assist in drafting marketing documents, press releases, form marketing materials and marketing strategy, as we determine may be necessary. (See Section 8(4)9 of the Franchise Agreement)

10. We will inform you of mandatory specifications, standards and procedures for the operations of your Restaurant Brokerage Business. (See Section 8(4)10 of the Franchise Agreement)

11. We will research new services and methods of doing business and provide you with information concerning developments of this research. (See Section 8(4)11 of the Franchise Agreement)

12. When established, we will maintain the FMAF and use these funds to develop promotional and advertising programs and public relations support for Restaurant Brokerage Businesses. (See Section 12 of the Franchise Agreement)

13. We will provide advertising materials to you as we deem necessary in our sole discretion. (See Section 8(4)12 of the Franchise Agreement)

14. We will conduct a 5-business day training course for any Agents whom you hire after opening your Restaurant Brokerage Business and you must pay us the then-current fee (“**Additional Agent Training Fee**”), which is currently \$2,000 per Agent. The training course will occur in Palm Coast, Florida or at another located designated by us (See Section 8(3)3 of the Franchise Agreement).

15. A representative of ours may, in our sole discretion, provide additional assistance (See Section 8(4)13 of the Franchise Agreement). There may be additional charges for these services. If we provide additional assistance, we must agree in advance on the charges you will pay and the length of the visit.

Operations Manual

You must establish and operate your Restaurant Brokerage Business in compliance with your Franchise Agreement and the standards and specifications contained in the WSR confidential operations manual (“**Operations Manual**”) loaned to you by us. The Operations Manual consists of 1 or more manuals, technical bulletins or other written materials and may be modified by us periodically. The Operations Manual may be in printed or in an electronic format in our discretion. We reserve the right to require you to use an electronic version of the Operations Manual and to require you to access the document using the Internet or an intranet created and supported by us. You will have the opportunity to view the Operations Manual at our headquarters before purchasing the Franchise, provided you agree in writing to keep its contents confidential by signing a non-disclosure and confidentiality agreement in the form attached hereto as Exhibit G. The Operations Manual contains approximately 100 pages. The Table of Contents for the Operations Manual is attached to this disclosure document as **Exhibit F**.

Training

We provide an initial training program lasting approximately 5 business days, in addition to approximately 10 days of training provided through an only learning platform. The initial

training program is usually conducted at our corporate headquarters located in Palm Coast, Florida and in your local market, but the training course may be held elsewhere in the future.

Before you begin operating your Restaurant Brokerage Business, you or, if you are not an individual, a designated business manager (“**Designated Business Manager**”) must attend and successfully complete to our satisfaction our initial training program. You may have 1 additional person attend the initial training program at no additional training fee. If the Designated Business Manager's employment with you is terminated, you must designate a new Designated Business Manager who must successfully complete our initial training program within 90 days after the termination of the initial Designated Business Manager, unless we do not hold an initial training program during that 90-day period in which case the replacement Designated Business Manager must attend and successfully complete the first available initial training program held by us. You may be charged a training fee for a replacement Designated Business Manager and the costs for airfare, ground transportation, lodging, meals, personal expenses, and the Designated Business Manager's salary and benefits must be paid by you.

There is no tuition or fee for the initial training program for you or your Designated Business Manager and up to 2 additional persons. If you desire to have additional people attend the initial training program there will be an additional training fee for each person (except Agents), which is currently \$500 per person. We do not pay any travel expenses, lodging, meals, ground transportation or other personal expenses. We also provide approximately 10 additional days of training provided through an online learning platform.

On-going training and additional training programs are scheduled on an as needed basis.

Our training program consists of approximately 53 hours of independent study, 55 hours of class room training, and 184 hours of training in the field as follows:

TRAINING PROGRAM

Subject	Hours of Classroom Training	Hours of Directed Independent Study	Hours of On-The-Job Training	Location
<i>Pre Work Training Program</i>				
Industry Textbook on Buying a Business		25		In Market
Web Site Navigation: Public Web Site		4		In Market
Market Research		4		In Market
Industry Immersion		4		In Market
<i>Classroom Training Program</i>				
Brokerage Practice Basics	4		16	Palm Coast, FL
Legal Agreements & Protecting Commissions	2		16	Palm Coast, FL
Franchise Business Plan	2		4	Palm Coast, FL

Subject	Hours of Classroom Training	Hours of Directed Independent Study	Hours of On-The-Job Training	Location
Market Share & Obtaining Listings	5		12	Palm Coast, FL
Web Site Navigation: Tracking Seller Listing	2		2	Palm Coast, FL
Seller Representation & Listings	2		8	Palm Coast, FL
Restaurant Valuation and the Valuation Analysis Tool [®]	4		20	Palm Coast, FL
Web site Navigation: Entering a Listing	2		4	Palm Coast, FL
Buyer Representation	4		16	Palm Coast, FL
The Business Analysis Tool [®]	2		6	Palm Coast, FL
Web site Navigation: Tracking Buyer Activity	2		4	Palm Coast, FL
Tenant Representation	4		8	Palm Coast, FL
The Leasing Assessment Tool [®]	1		4	Palm Coast, FL
Marketing and Public Relations	2		4	Palm Coast, FL
Weekly Reporting	1		2	Palm Coast, FL
<i>Post Work Training Session</i>				
Restaurant Database Skills		4	8	Field Training
Network Development		4	8	Field Training
Brand and Marketing Exercises		4	8	Field Training
Practice of Valuation Skills		4	8	Field Training
<i>Field Training Session</i>				
One-on-One Coaching with Field Consultant	16			Field Training
Buyer On the Job Training			8	Field Training
Seller On the Job Training			8	Field Training
Networking On the Job Training			8	Field Training
Total Hours	55	53	184	

The initial training program and other on-going training will be conducted by training personnel under the direction of Eric Gagnon and Robin Gagnon, whose backgrounds are described in ITEM 2. We may change or substitute training personnel as necessary, and we may delegate our duties and share our responsibilities with regard to training. Our instructors have between 9 and 16 years of experience in the industry that is relevant to the Restaurant Brokerage Business.

Our Operations Manual and an interactive slide show presentation serve as the primary instructional materials during the training program.

We may present seminars, conventions or continuing development programs for the benefit of Franchisees. Your attendance is mandatory. You must pay for any conference fee and your travel and living expenses incurred while attending any seminar, convention, or continuing development program.

Any additional training programs are scheduled on an as needed basis as determined by us.

Advertising Programs

With the exception of your Initial Direct Mail Market Opening Campaign provided by Vendor, and the Website provided by us, if we require local advertising for your Restaurant Brokerage Business or establish a Franchise Marketing Accrual Fund, any Cooperative Advertising, or a Franchise Owners Advisory Council, that advertising will be controlled by you and/or other franchisees. Advertising agencies may be hired for advertising purposes but all advertising must be pre-approved by us.

Franchise Marketing Accrual Fund

When the Franchise Marketing Accrual Fund (“FMAF”) is established, your Restaurant Brokerage Business is required to pay to us a marketing fee equal to the greater of 2% of your Gross Revenues or \$150 per month at the same time you pay your Royalty Fee. The funds will be posted to the FMAF. We may increase your contributions if we determine it is necessary, but not to exceed 4% of Gross Revenues. These payments will be made in addition to and exclusive of any sums that you may be required to spend on cooperative and local advertising and promotion conducted independently. Any company-owned or Affiliate-owned units offering services and products similar to the Restaurant Brokerage Business which you will operate will make contributions to the FMAF equal to the contributions required of Restaurant Brokerage Businesses within the System.

The FMAF will be accounted for separately by us but we are not required to maintain the FMAF funds in a separate or segregated account at a bank or other financial institution. The FMAF is administered by us. Any unused funds in any calendar year will be applied to the following year's funds, and we reserve the right to contribute or loan additional funds to the FMAF on any terms we deem reasonable. This fund is unaudited and we will make available to you once a year, upon request, an unaudited annual accounting for the FMAF that shows how the FMAF proceeds have been spent for the previous year within 120 days after our fiscal year end. We do not provide a periodic accounting of how Marketing Fees are spent.

We may use the marketing fees we collect from franchisees to (i) create marketing materials relating to the System and the services sold by our Franchisees; (ii) pay for public relations projects intended to enhance the goodwill and public image of the System; (iii) assist Franchisees in developing local marketing programs; (iv) pay for the cost of placing marketing materials in various print, broadcast and Internet media; (v) undertake any other marketing efforts we deem necessary or beneficial to the System, in our discretion; and (vi) to reimburse us or our Affiliates for salaries and overhead expenses related to the marketing services provided to Franchisees and to cover part of the cost of maintaining the Internet web site. We will attempt to spend monies contributed to the FMAF in such a way as to provide advertising benefits to all

participating Restaurant Brokerage Businesses, but we make no guarantees that you will benefit pro rata or at all from your contributions to the FMAF. We reserve the right to allocate Marketing Fees to various permitted uses as we see fit and we do not guarantee that you will receive equal benefits or identical coverage. Neither we nor our affiliates receive payment for providing goods or services to the FMAF, except for reimbursement of expenses as described above. We do not use any FMAF funds to advertise the sale of franchises.

We did not receive, or spend, any fees contributed to the FMAF during our prior fiscal year.

Website

We have established a website and utilize other social media and internet resources (collectively, the “**Website**”) to provide information about the System and the Services that Restaurant Brokerage Businesses offer. We have sole discretion and control over the Website's design and contents. We reserve the right to use part of the marketing fees collected in the FMAF and part of the FMAF's revenues to pay or reimburse us for the costs of maintaining and updating the Website, except that we may not use FMAF revenues to pay for those components of the Website that are devoted to publicizing the franchise program or the sale of WSR franchises.

Local Advertising

We have the right to require you to spend money for Local Advertising and promotions in the Territory in accordance with the marketing guidelines set forth in the Operations Manual. Such required local advertising expenditures do not include the costs of advertising restaurants for sale or lease by your Restaurant Brokerage Business, costs for recruiting Agents, or other advertising expenses related directly to the sale of restaurants.

You must pay our approved vendor \$2,500 to provide your Initial Direct Mail Market Opening Campaign, within 30 days of the day you first begin operating your Restaurant Brokerage Business. Vendor will ensure that you are provided with the best possible direct mail campaign in your new territory to help get your business jump started correctly.

Each month, we have the right to require you to spend a minimum of 2% of the Gross Revenues of your Restaurant Brokerage Business on local advertising and promotional advertising for the Franchise in your Territory (“**Local Advertising**”). We must approve all advertising before you use it. You must provide us with an advertising expenditure report to show that you have complied with the Local Advertising requirements. Costs and expenditures, you incur for any of the following, are not to be included in your expenditures on Local Advertising, unless approved in advance by us in writing:

1. Salaries, expenses and benefits of any of your employees, including salaries or expenses for attendance at advertising meetings or activities.
2. Seminar and educational costs and expenses of your employees or Agents.

3. Costs and expenditures you incur as a result of placing advertisements for specific restaurants or for recruiting Agents.

Cooperatives

We may designate any geographic area, in which 2 or more Restaurant Brokerage Businesses are located, as a region for establishing an advertising cooperative (“**Cooperative**”). The members of the Cooperative for any area will consist of all franchised Restaurant Brokerage Businesses. We will advise and assist the members with the Cooperative’s organization and governance. Each Cooperative will be organized for the sole purpose of administering advertising programs and developing, subject to our approval, promotional materials for use by the members in Local Advertising. If a Cooperative has been established for a geographic area where your Restaurant Brokerage Business is located when the Franchise Agreement is signed, or if any Cooperative is established during the term of the Franchise Agreement, you must become a member of the Cooperative and abide by the rules of the Cooperative. We reserve the right to form, change, dissolve or merge any Cooperative.

Cooperatives will be composed of all franchised Restaurant Brokerage Businesses located in a designated market area. If a Cooperative is established, contributions to the Cooperative will be determined by a vote of the members of the Cooperative. We reserve the right to review the Cooperative contribution rate on an annual basis and to disapprove a rate of less than 1% of Gross Revenues. No Cooperatives have been established as of the date of this Disclosure Document.

Local Marketing Pre-Approvals

All advertising and promotions you use must be conducted in a dignified manner and must conform to the standards and requirements that we state in the Operations Manual or otherwise in writing. You must first obtain our approval of all advertising and promotional plans and materials before your use of them if the plans and materials have not been prepared by us or previously approved by us during the 12 months before their proposed use. You must submit all unapproved plans and materials to us, and we will approve or disapprove the plans and materials within 14 days of our receipt. You may not use any unapproved plans or materials. You must promptly discontinue use of any advertising or promotional plans or materials, whether or not previously approved, on notice from us. All use of any of the Marks included in the System must meet our standards and specifications.

You must plan and carry out a grand opening promotion relating to the opening of the Franchise according to our established programs and the Operations Manual. Any advertising items and methods you use with the grand opening promotion must be approved by us.

Except as described above, we are not obligated to spend any amount on advertising in the area where your Restaurant Brokerage Business or Branch Offices are located.

Franchise Owners Advisory Council

We may establish a Franchise Owners Advisory Council (“Council”) in the future. The Council may have up to 3 representatives who will be selected by the franchisees at large through an annual election process. The Council will serve in a purely advisory capacity on many matters, including advertising. We will have the power to change or dissolve the Council in our sole discretion.

Schedule for Opening

If you are purchasing a standard franchise, we estimate that the typical length of time between the signing of the Franchise Agreement and the opening of your Restaurant Brokerage Business will be approximately 3 months. Some factors which may affect this timing are your ability to secure any necessary financing and your ability to obtain any necessary permits, licenses, and certifications.

The conversion of an existing restaurant brokerage business to a WSF Restaurant Brokerage Business usually takes 1 to 3 months, depending on the extent of the conversion of the office location, equipment and operational systems that may be necessary.

We have standards and specifications which you must follow for your equipment, dress code, supplies, forms, Services, advertising and marketing materials, and most other services used in, sold or provided through your Restaurant Brokerage Business. You must only use the approved supplies and suppliers, if any, as are specified in our Operations Manual. You will be responsible for purchasing and installing all of the equipment, hardware and software for your Restaurant Brokerage Business.

You must apply for all required real estate and/or brokerage licenses and permits within 10 business days after signing the Franchise Agreement. If you do not receive all required licenses and permits within 6 months of executing the Franchise Agreement, we may terminate the Franchise Agreement.

You may not open your Restaurant Brokerage Business until: (1) we notify you in writing that all of your pre-opening obligations have been fulfilled; (2) you have completed all components of the initial training program to our satisfaction; (3) all amounts due to us have been paid; (4) we have been furnished with copies of all insurance policies and certificates required under the Franchise Agreement, or other documentation of insurance coverage and payment of premiums that we request; (5) you notify us that all approvals and conditions set forth in the Franchise Agreement have been met; (6) you have obtained all necessary business brokerage licenses and permits and other applicable permits and licenses; (7) you have provided satisfactory evidence that all of your Agents are licensed to sell restaurants in your state; and (8) you have ordered, received and installed your equipment, supplies, inventory and Computer System. You must be prepared to begin operating your Restaurant Brokerage Business immediately after we determine that your Restaurant Brokerage Business is ready for opening. (See Section 9(12) of the Franchise Agreement)

Software and Computer Equipment

You must purchase and use computer hardware and software required by us. Currently, you must purchase 1 laptop computer that runs on the Windows 10 Professional or above operating system and a Fujitsu ScanSnap Scanner (“**Hardware**”). The laptop computer must have Microsoft Office 10 Professional, or a more recent version installed and operating, and the web-based software and business management system required by us (“**Software**”). The Hardware and Software are referred to as the “**Computer System.**” The cost of purchasing the Computer System ranges from \$1,100 to \$4,500. In addition, you must pay a monthly website support and franchisee listings fee (“**Website Support Fee**”) of \$750 or such other amount as we determine in our sole discretion, for purposes of defraying the cost of providing website and technology support to you. This also covers the cost of Software license from us or our affiliates.

You must update your Computer System at your expense as we may require from time to time to meet our specifications as they evolve. Currently we require that your laptop must not be more than 4 years old. Upgrades, in some cases, may only be available through our suppliers or affiliates. We may change the designated suppliers or affiliates periodically on written notice to you.

You must have sufficient computer skills to be able to operate your Computer System and to access e-mail and the Internet. You must have access to the Internet and maintain an email account that allows us to communicate with you on a regular basis. If we determine that you require additional computer training, you must take and pay for, at your own expense, a computer training course at a local computer training school (which may be our affiliate). You must complete this training within 90 days from the date we advise you of this requirement, and you must present us with a certificate acceptable to us to show that you passed the course.

We have the right to independently access your electronic information and data through our proprietary data management and intranet system, and to collect and use your electronic information and data in any manner we choose to promote the development of the System and the sale of franchises. There is no contractual limitation on our right to receive or use information through our proprietary data management and intranet system.

You are solely responsible for protecting your computer equipment from computer viruses, computer hackers, and other communications and computer-related problems. We are not responsible for your computer equipment or any harm to your equipment caused by any of the above known events.

ITEM 12 TERRITORY

You will be granted a territory (“**Territory**”) in which to sell the Services you are authorized to sell under the Franchise Agreement. Each Territory will include a minimum of 500 restaurants. We will negotiate the size of your Territory before you sign the Franchise Agreement. Your Territory may be based on geographic or political boundaries (including city, county or state boundary lines) and other characteristics including natural boundaries, and the amount and size of

urban, suburban and rural areas. We have the exclusive right to determine the boundaries of your Territory in our sole discretion. Any relocation of your Office requires our written consent and will not change the boundaries of your Territory. Your Territory will not change even though the number of licensed Agents in your Territory increases or decreases.

You will have the sole right to have an office to market the Services to restaurants in your Territory. However, the grant of the franchise to you does not in any way prohibit other franchisees or us and our agents and Affiliates from listing and selling restaurants or providing Site Selection Services or Consulting Services in your Territory, nor are you prohibited from listing or selling restaurants or providing Site Selection Services or Consulting Services in a Territory granted to another franchisee.

Customers from your Territory may purchase or obtain Services from other franchisees and from us and our Affiliates or designees over the Internet, or in other reserved channels of distribution.

To maintain your Territory, you must meet the Minimum Annual Quota. Your failure to satisfy the Minimum Annual Quota may result in the reduction or elimination of your Territory or the termination of your Franchise Agreement, in our sole discretion. During your first franchise year, your minimum commission/fees collected must be \$50,000 or greater; \$75,000 or greater in your second year; and \$100,000 or greater each franchise year thereafter.

You will not receive an exclusive territory. You may face competition from other franchisees, from outlets that we own, or from other channels of distribution or competitive brands that we control. We reserve the right, among others, without making compensation to you:

1. to use, and to license others to use, the Marks and System for the operation of Restaurant Brokerage Businesses at any location other than in the Territory, regardless of proximity to the Territory;
2. to use, license, and franchise the use of trademarks or service marks other than the Marks, whether in alternative channels of distribution or at any location including within the Territory, in association with operations that are the same as, similar to, or different from the Restaurant Brokerage Business;
3. to the use the Marks and the System in connection with the provision of other services and products or in alternative channels of distribution, at any location including within the Territory;
4. to offer the Services or grant others the right to offer the Services, whether using the Marks or other trademarks or service marks, through alternative channels of distribution, including without limitation, distribution outlets other than Restaurant Brokerage Businesses, or by Internet commerce (e-commerce), mail order or otherwise, whether inside or outside the Territory;
5. to use any websites utilizing a domain name incorporating 1 or more of the words “We,” “Sell” and/or “Restaurants” or similar derivatives. We retain the sole and exclusive right to

market on the Internet and use the Marks on the Internet, including all use of websites, domain names, URL's, directory addresses, metatags, linking, advertising, social networking site, electronic marketing sites, and co-branding and other arrangements. You may not independently market on the Internet, or use any domain name, address, locator, link, social networking site, electronic marketing site, metatag, or search technique, with words or symbols similar to the Marks or otherwise establish any presence on the Internet without our prior written approval. We intend that any franchisee website be accessed only through our home page. You will provide us with the content for our Internet marketing, and will sign Internet and intranet usage agreements, if any. We retain the right to approve any linking or other use of our website; and

6. to implement multi-area marketing programs or national accounts programs (“**National Accounts Programs**”) which may allow us or others to solicit customers or sell Products or Services anywhere. We reserve the right to issue mandatory policies to coordinate such multi-area marketing programs or National Accounts Programs.

We do not currently operate, or franchise the operation of any business selling under different trademarks any products or services similar to the products and services offered by a We Sell Restaurants Restaurant Brokerage Business and we presently do not have any plans to do so. You do not receive any option, right of first refusal or similar right to acquire additional franchises within your Territory.


ITEM 13 TRADEMARKS

The Franchise Agreement grants you the nonexclusive right to use our Marks, including the service mark “WE SELL RESTAURANTS®”, and other designs and logo types associated with our Restaurant Brokerage Businesses. You may also use our other current or future Marks that we may authorize you to use to operate your Restaurant Brokerage Business.

The “WE SELL RESTAURANTS®” Mark and the original components of the System are owned by Holdings and are licensed exclusively to us. Holdings has granted us an exclusive license (“**Intellectual Property License**”) to use the intellectual property for purposes of franchising the We Sell Restaurants System around the world. The Intellectual Property License extends for 50 years, commencing April 1, 2013. In the event the Intellectual Property License is terminated, Holdings has agreed to license the use of the “WE SELL RESTAURANTS®” Mark and the System directly to our franchisees until such time as each Franchise Agreement expires or is otherwise terminated.


Holdings has registered the following Marks with the United States Patent and Trademark Office (“**USPTO**”) on the Principal Register:

Mark	Registration Date	Serial No. or Registration No.	Status
WE SELL RESTAURANTS® (standard characters)	December 30, 2014	4,663,265	Registered; Principal Register

Mark	Registration Date	Serial No. or Registration No.	Status
	October 18, 2016	5,063,688	Registered, Principal Register with disclaimer of WE SELL RESTAURANTS
CERTIFIED RESTAURANT BROKER	April 17, 2018	5,450,315	Registered, Supplemental Register

We have filed and will continue to file all required affidavits of renewal and use, when due, to maintain registration for the Marks above with the U.S. Patent and Trademark Office (“USPTO”).

Holdings has also filed the following applications (together, the “Additional Marks”).

Service Mark and/or Trademark	Class	Application Serial No.	Date
	36	90,050,182	July 13, 2020
CERTIFIED PRE-OWNED RESTAURANT	36	90,050,052	July 13, 2020

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

We may also use a number of unregistered, common law trademarks. You must follow our rules when you use our Marks. You may not use any of the Marks alone or with modifying words, designs or symbols as part of a corporate or business name or in any form on the Internet, including but not limited to URLs, domain names, e-mail addresses, locators, links, metatags or search techniques. You must get our prior written approval of your company name before you file any registration documents. You must indicate, as required in the Franchise Agreement and specified in the Operations Manual, that you are an independent restaurant broker. Guidelines regarding proper trademark use and notices are in the Operations Manual and will be updated periodically. You may not use our Marks with an unauthorized product or service, or in a manner not authorized in writing by us.

There are no currently effective material determinations of the USPTO, the Trademark Trial and Appeal Board, the trademark administrator of any state or any court, any pending infringement, opposition or cancellation proceedings or any pending material litigation involving

any of our Marks which are relevant to the use of these Marks. No currently effective litigation affects our use or ownership rights in any Mark. No currently effective agreement limits our right to use or license the use of our Marks.

You must notify us immediately when you learn about an infringement of or challenge to your use of our Marks. The franchise agreement does not require us to take any affirmative action when we receive such notice. We will take the action we think appropriate. We have no obligation under the Franchise Agreement to protect you against or reimburse you for any damages for which you are held liable in any proceeding arising out of your use of the marks. We will have control of any litigation or administrative hearing involving our marks. You agree to cooperate with us if we undertake the defense or prosecution of any litigation in connection with the marks, and to execute all documents that are necessary to obtain the protection of the marks or to maintain their continued validity and enforceability. We do not know of either superior prior rights or infringing uses that could materially affect your use of the WE SELL RESTAURANTS mark.

You must modify or discontinue the use of a trademark if we modify or discontinue the Mark. If this happens, we will reimburse you for your tangible costs of compliance (for example, signs). You must not directly or indirectly contest our right to our trademarks, trade secrets or business techniques that are part of our business. If you learn that a third party whom you believe is not authorized to use our marks is using them, you must promptly notify us. We will determine whether or not to take action against the third party. You will have no right to make any demand or prosecute any claim against the alleged infringement.

ITEM 14

PATENTS, COPYRIGHTS, AND PROPRIETARY INFORMATION

The information contained in the Operations Manual is proprietary and is protected by copyright and other laws. The Operations Manual and the limitations of the use of it by you and your employees and/or Agents are described in ITEM 11. The designs contained in the Marks, the layout of our advertising materials, the content and format of any other writings or copyright and other laws also protect recordings in print or electronic form. Although we have not filed an application for copyright registration for the Operations Manual, the advertising materials, the content and format of any other writings and recordings, we claim common law and federal copyrights in these items. We grant you the right to use this proprietary and copyrighted information (“**Copyright Works**”) in connection with your operation of your Restaurant Brokerage Business, but these copyrights remain our sole property.

There are currently no effective determinations of the United States Copyright Office or any court regarding any Copyrighted Works of ours, nor are any proceedings pending, nor are there any currently effective agreements between us and third parties pertaining to the Copyrighted Works that will or may significantly limit your use of our Copyrighted Works.

Our Operations Manual, electronic information and communications, sales and promotional materials, and certain software used in the Restaurant Brokerage Business, the development and use of our System, standards, specifications, policies, procedures, information, concepts and systems on, knowledge of, and experience in the development, operation, and

franchising of Restaurant Brokerage Businesses and Services sold at Restaurant Brokerage Businesses, information concerning sales, operating results, financial performance and other financial data of Restaurant Brokerage Businesses, all names, addresses, phone numbers, e-mail addresses, customer purchase and sales records, manuals and other related data and materials designated by us are proprietary and confidential (“**Confidential Information**”) and are considered to be our property information, to be used by you only as described in the Franchise Agreement or the Operations Manual. Where appropriate, certain information has also been identified as trade secrets (“**Trade Secrets**”). You must maintain the confidentiality of our Confidential Information and Trade Secrets and adopt reasonable procedures to prevent unauthorized disclosure of our Trade Secrets and Confidential Information.

We will disclose parts of the Confidential Information and Trade Secrets to you as we deem necessary or advisable for the development of your Restaurant Brokerage Business during training and in guidance and assistance furnished to you under the Franchise Agreement, and you may learn or obtain from us additional Confidential Information and Trade Secrets during the term of the Franchise Agreement. The Confidential Information and Trade Secrets are valuable assets of ours and are disclosed to you on the condition that you, and your owners, if you are a business entity, and employees agree to maintain the information in confidence by entering into a confidentiality agreement in the form attached to the Franchise Agreement as Attachment F. Nothing contained in the Franchise Agreement will be construed to prohibit you from using the Confidential Information or Trade Secrets in the operation of your Restaurant Brokerage Business during the term of the Franchise Agreement.

You must notify us immediately after you learn about another's use of language, a visual image, or a recording of any kind, that you perceive to be identical or substantially similar to 1 of our Copyright Works or use of our Confidential Information or Trade Secrets or if someone challenges your use of our Copyright Works, Confidential Information or Trade Secrets. We will take whatever action we deem appropriate, in our sole and absolute discretion, to protect our rights in and to the Copyright Works, Confidential Information and/or Trade Secrets, which may include payment of reasonable costs associated with the action. However, the Franchise Agreement does not require us to take affirmative action in response to any apparent infringement of or challenge to your use of any Copyright Works, Confidential Information or Trade Secrets or claim by any person of any rights in any Copyright Works, Confidential Information or Trade Secrets. You must not directly or indirectly contest our rights to any of our Copyright Works, Confidential Information or Trade Secrets. You may not communicate with anyone, except us and our counsel, with respect to any infringement, challenge or claim. We will have discretion to take action as we deem appropriate regarding any infringement, challenge or claim, and the sole right to control exclusively any litigation or other proceeding arising out of any infringement, challenge or claim under any Copyright Works, Confidential Information or Trade Secrets. You must sign any and all instruments and documents, give the assistance, and do acts and things that may, in the opinion of our counsel, be necessary to protect and maintain our interests in any litigation or proceeding or to protect and maintain our interests in the Copyright Works, Confidential Information or Trade Secrets.

No patents are material to us at this time.

We have the right to inspect, copy and use all records with respect to the customers, suppliers, and other service providers of, and related in any way to your Restaurant Brokerage Business. This includes all databases (whether in print, electronic, or other form), including all names, addresses, phone numbers, e-mail addresses, and customer purchase records. We may use or transfer the records in any way we wish, both before and after any termination, expiration, repurchase, transfer or otherwise of the Franchise Agreement or your Restaurant Brokerage Business. We may contact any or all of your customers, suppliers, and other service providers for quality control, market research, or any other purpose, as we deem appropriate, in our sole discretion.

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

If you are an individual, you must directly supervise the Restaurant Brokerage Business. If you are a business entity, the direct, on-site supervision of your Restaurant Brokerage Business must be done by a Designated Business Manager.

If we believe you lack sufficient business experience, you must appoint a Designated Business Manager to act as the operating manager for your Restaurant Brokerage Business. We must interview, screen, and approve the selection of the Designated Business Manager before signing the Franchise Agreement. You or the Designated Business Manager must attend and successfully complete the initial training program and must abide by the obligations in the Franchise Agreement and the Operating Manual, including but not limited to obtaining all required licenses and permits prior to commencing employment with you. The Designated Business Manager must agree to assume and guarantee performance of all of your obligations, including, among others, confidentiality and non-competition.

If you are a legal or business entity, each individual who owns, directly or indirectly, a 5% or greater interest in you (and, if you are an individual, your immediate family defined as your spouse and adult children) must sign the Guaranty and Assumption of Franchisee's Obligations, in the form attached to the Franchise Agreement as Attachment B, assuming and agreeing to discharge all of your obligations and comply with all restrictions under the Franchise Agreement.

If you purchase the franchise offered in this disclosure document, you acknowledge that the risks, financial and otherwise, which are inherent with the beginning of any new business, are yours alone. We, as a matter of policy, will not assist you in any decision-making process that may affect the operations of your Restaurant Brokerage Business. The success or failure of the franchise as a business enterprise is dependent on your efforts. The purchase of this franchise should not be considered by anyone who is unfamiliar with standard business practices or is unwilling to accept the responsibilities associated with running a small business.

ITEM 16
RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

You cannot use or permit the use of your Restaurant Brokerage Business for any other purpose or activity at any time without first obtaining our written consent.

You must sell or offer for sale only those Services which are authorized by us and which meet our standards and specifications. You must follow our policies, procedures, methods of doing business, and techniques. We may change or add to the Services you must offer. There is no limitation on our right to change the products or services offered by your Restaurant Brokerage Business. You must discontinue selling and offering for sale any Services, which we may, in our discretion, disapprove in writing from time to time. You are not restricted in the customers you may serve.

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ITEM 17
RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION

THE FRANCHISE RELATIONSHIP

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

Provision	Section in franchise or other agreement	Summary
a. Length of the franchise term	Section 4	10 years
b. Renewal or extension	Section 4	If you are in good standing 1 additional term of 10 years
c. Requirements for franchisee to renew or extend	Section 4	Written notice to us, not in default, sign new agreement, be current in payments, sign release in the form attached to the franchise agreement at Exhibit G, pay Successor Franchise Fee. When renewing, you may be asked to sign a new contract with materially different terms and conditions than your original contract.
d. Termination by franchisee	Not Applicable	Not Applicable
e. Termination by franchisor without cause	Not Applicable	Note Applicable
f. Termination by franchisor with cause	Section 18	We can terminate if you default.
g. "Cause" defined – curable defaults	Section 18	You have 30 days to cure: non-payment of fees and non-submission of reports; failure to maintain standards; violation of laws or ordinances; failure to obtain our approval where required; unauthorized use of the Marks; failure to buy and maintain insurance; default under your lease; inaccurate reporting of Gross Revenues; failure to maintain bank accounts.
h. "Cause" defined – non-curable defaults	Section 18	Non-curable defaults: disclosing Confidential Information and Trade Secrets; misuse of the Marks and System; abandoning or discontinuing your Restaurant Brokerage Business; insolvency; bankruptcy; felony conviction; crime of moral turpitude; failure to pay amounts due after receiving notice; 3 notices of default in any 12-month period; 2 or more invalid reports in any 12-month period; any misrepresentation to Franchisor; unauthorized sale or transfer.

Provision	Section in franchise or other agreement	Summary
i. Franchisee’s obligations on termination/non-renewal	Sections 11, 13, 15 & 18	De-identification, payment of amounts due, return of Operations Manual, all Confidential Information, and Trade Secrets; assign all email accounts, websites, social media; and turn over all of your records and data that were generated as a WE SELL RESTAURANTS franchisee.
j. Assignment of contract by Franchisor	Section 16.1	No restriction on our right to assign.
k. “Transfer” by franchisee — definition	Section 16	Includes transfer of contract or assets or ownership change.
l. Franchisor approval of transfer by franchisee	Section 16	We have the right to approve all transfers.
m. Conditions for franchisor approval of transfer	Section 16	New franchisee qualifies, Transfer Fee paid, purchase agreement approved, training arranged, release signed by you and current agreement signed by new franchisee.
n. Franchisor’s right of first refusal to acquire franchisee’s business	Section 17	We can match any offer for your business.
o. Franchisor’s option to purchase franchisee’s business	Section 17	We may, but are not required to, purchase your inventory and equipment at fair market value if your franchise is terminated for any reason.
p. Death or disability of Franchisee	Section 16.9	Your estate or legal representative must apply to us for the right to transfer to the next of kin within 120 days.
q. Noncompetition covenants during the term of the franchise	Section 15	No involvement in any Competitive Business.
r. Noncompetition covenants after the franchise is terminated or expires	Section 15.1	No use or disclosure of Confidential Information and Trade Secrets for a period of 5 years.
s. Modification of agreement	Sections 3.3, 4.5 & 21.11	No modifications during term generally, but Operating Manual subject to change. Modifications permitted upon Successor Term.
t. Integration/merger clause	Section 21.5	Only the terms of the Franchise Agreement are binding (subject to state law); any other promises may not be enforceable.
u. Dispute resolution by arbitration or mediation	Section 20	Except for certain claims, all disputes must be arbitrated.
v. Choice of forum	Sections 20.1 & 21.1	Arbitration must be in Georgia.
w. Choice of law	Sections 20.1 & 21.1	Georgia law applies

**ITEM 18
PUBLIC FIGURES**

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

**ITEM 19
FINANCIAL PERFORMANCE REPRESENTATIONS**

The FTC's Franchise Rule permits a franchisor to provide information about the actual or potential financial performance of its franchised and/or franchisor-owned outlets, if there is a reasonable basis for the information, and if the information is included in the disclosure document. Financial performance information that differs from that included in Item 19 may be given only if: (1) a franchisor provides the actual records of an existing 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 Table below presents certain historical revenue and related operating results for the 16 Restaurant Brokerage Businesses that were open and in operation all of Fiscal Year 2020. Of these 16 Restaurant Brokerage Businesses, all are owned and operated by Franchisees.

The following is the average historical data relating to the operation of a single Restaurant Brokerage Business during the full year of operations in the above target group:

Gross Revenues Average	Gross Revenues Median	Transactions	Average Gross Commission per Transaction	Median Gross Commission Per Transaction
\$180,102	\$308,830	9	\$19,767	\$61,250

Of Gross Revenues, the highest was \$617,660 and the lowest was \$0. Of the representative group, 4 or 25% attained or surpassed the average Gross Revenues figure.

As used herein, “**Gross Revenues**” means the total of all commissions, monthly fees, transaction fees, valuation fees, consulting fees, professional witness fees, leasing fees, and other fees received by the Franchisee (prior to any payments made to Agents) from all sources (including but not limited to referral fees and finder’s fees received from brokers or agents in other brokerage companies) which is derived from the sale, lease, transfer or other disposition (including like-kind exchanges, barter exchanges, or other exchanges of property not involving money) of Restaurants, including any note, obligation, lien or other consideration given to Franchisee in lieu of a commission and insurance claims for lost profits if a claim is paid by the insurer, less commissions and referral fees paid to cooperating or referring brokers in other brokerage companies. Gross Revenues do not include the amount of any tax imposed by any federal, state, municipal or other governmental authority directly on sales and collected from customers, provided that the amount of any tax is shown separately and in fact paid by the Franchisee to the appropriate governmental authority.

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

Written substantiation for the financial performance representations will be made available to the prospective franchisee upon reasonable request

Other than the financial performance representations set forth above, we do not make any representations about a franchisee's future financial performance or the past financial performance of company-owned or franchised outlets. We also do not authorize our employees or representatives to make any such representations either orally or in writing. If you are purchasing an existing outlet, however, we may provide you with the actual records of that outlet. If you receive any other financial performance information or projections of your future income, you should report it to the franchisor's management by contacting Eric Gagnon at 5055 N. Oceanshore Boulevard, Palm Coast, Florida 32137, and (404) 800-6700, the Federal Trade Commission, and the appropriate state regulatory agencies.

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**ITEM 20
OUTLETS AND FRANCHISEE INFORMATION**

**System-wide Outlet Summary
For Years 2018 to 2020**

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised	2018	10	12	+2
	2019	12	16	+4
	2020	16	16	+0
Company-Owned	2018	2	3	+1
	2019	3	3	0
	2020	3	3	0
Total Outlets	2018	12	15	+3
	2019	15	19	+4
	2020	19	19	0

**Transfers of Outlets from Franchisee to New Owners
For Years 2018 to 2020**

State	Year	Number of Transfers
Colorado	2018	1
	2019	0
	2020	0
Totals	2018	1
	2019	0
	2020	0

**Status of Franchised Outlets
(Other than the Franchisor) For Years 2018 to 2020**

State	Year	Outlets at Start of the Year	Outlets Opened	Terminations	Non-Renewals	Reacquired By Franchisor	Ceased Operations Other Reasons	Outlets at End of Year
Colorado	2018	4	0	0	0	0	0	4
	2019	4	0	0	0	0	0	4
	2020	4	0	0	0	0	0	4
Florida	2018	2	1	0	0	0	0	3
	2019	3	2	0	0	0	0	5
	2020	5	0	0	0	0	0	5
Georgia	2018	0	0	0	0	0	0	0
	2019	0	0	0	0	0	0	0
	2020	0	0	0	0	0	0	0
Minnesota	2018	1	0	0	0	0	0	1
	2019	1	0	0	0	0	0	1
	2020	1	0	0	0	0	0	1

State	Year	Outlets at Start of the Year	Outlets Opened	Terminations	Non-Renewals	Reacquired By Franchisor	Ceased Operations Other Reasons	Outlets at End of Year
New York	2018	0	0	0	0	0	0	0
	2019	0	2	0	0	0	0	2
	2020	2	0	0	0	0	0	2
North Carolina	2018	1	3	0	0	1	0	3
	2019	3	0	0	0	0	0	3
	2020	3	0	0	0	0	0	3
Tennessee	2018	1	0	0	0	0	1	0
	2019	0	0	0	0	0	0	0
	2020	0	0	0	0	0	0	0
Texas	2018	1	0	0	0	0	0	1
	2019	1	0	0	0	0	0	1
	2020	1	0	0	0	0	0	1
Totals	2018	10	4	0	0	1	1	12
	2019	12	4	0	0	0	0	16
	2020	16	0	0	0	0	0	16

**Status of Company-Owned Outlets
For Years 2018 to 2020**

State	Year	Outlets at Start of Year	Outlets Opened	Outlets Reacquired From Franchisee	Outlets Closed	Outlets Sold To Franchisee	Outlets at End of Year
Florida	2018	1	0	0	0	0	1
	2019	1	0	0	0	0	1
	2020	1	0	0	0	0	1
Georgia	2018	1	0	0	0	0	1
	2019	1	0	0	0	0	1
	2020	1	0	0	0	0	1
North Carolina	2018	0	0	1	0	0	0
	2019	1	0	0	0	0	1
	2020	1	0	0	0	0	1
Total Outlets	2018	2	0	1	0	0	3
	2019	3	0	0	0	0	3
	2020	3	0	0	0	0	3

**Projected Openings
As of December 31, 2020**

State	Franchise Agreements Signed But Outlet Not Opened	Projected New Franchised Outlets in The Next Fiscal Year	Projected New Company-Owned Outlets in the Next Fiscal Year
Alabama	0	1	0
Arizona	0	1	0

Florida	0	1	0
Minnesota	0	0	0
New York	0	0	0
North Carolina	0	0	0
South Carolina	0	1	0
Texas	0	1	0
Total	0	5	0

The names, addresses and telephone numbers of all current franchisees as of the date of this Disclosure Document are listed in Exhibit C.

The names, city, state and current business telephone number (or, if unknown, the last known home telephone number) of every franchisee who had an outlet terminated, canceled, transferred, not renewed or otherwise voluntarily or involuntarily ceased to do business under their franchise agreement during 2020, or who has not communicated with us within 10 weeks prior to the date of this Disclosure Document appear below. If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

In some instances, current and former franchisees sign provisions restricting their ability to speak 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.

During the last 3 fiscal years, we have not signed confidentiality agreements with any former or current franchisees restricting their ability to speak openly about their experience with us.

As of the date of this Disclosure Document, we do not have any trademark-specific franchisee organization or association.

ITEM 21 FINANCIAL STATEMENTS

Attached to this Disclosure Document, as Exhibit A, are our audited financial statements for the periods ended December 31, 2020, December 31, 2019, and December 31, 2018, and unaudited financials for the quarter ending March 31, 2021.

ITEM 22 CONTRACTS

Attached are the following agreements proposed for use in connection with our offering of franchises:

- Exhibit B. Franchise Agreement
- Attachments:
 - B. Guaranty and Assumption of Franchisee's Obligations
 - C. Statement of Ownership

- D. Authorization Agreement for Prearranged Payments
- E. Collateral Assignment of Telephone Numbers, Telephone Listings, and Internet Addresses
- F. Non-Disclosure and Non-Competition Agreement
- G. Renewal and General Release
- H. State Law Addenda
- Exhibit E. Statement of Franchisee
- Exhibit G. Non-Disclosure and Confidentiality Agreement

ITEM 23
RECEIPTS

The last page of this Disclosure Document, **Exhibit I**, is a detachable Receipt to be signed by you, dated, and delivered to us. A copy of the Receipt for your records is also included in **Exhibit I**.



EXHIBIT A

WSR FRANCHISE, LLC

FINANCIAL STATEMENTS

UNAUDITED FINANCIAL STATEMENT

THE RECENT QUARTERLY FINANCIAL STATEMENTS ARE PREPARED WITHOUT AN AUDIT. PROSPECTIVE FRANCHISEES OR SELLERS OF FRANCHISES SHOULD BE ADVISED THAT NO CERTIFIED PUBLIC ACCOUNTANT HAD AUDITED THESE FIGURES OR EXPRESSED HIS/HER OPINION WITH REGARD TO THE CONTENT OR FORM.

1:01 PM
09/02/21
Cash Basis

WSR Franchise
Profit & Loss
April through June 2021

	<u>Apr - Jun 21</u>
Ordinary Income/Expense	
Income	
Advertising Income	2,189.80
Franchise Fee Income	
Franchise Royalties	50,542.61
Monthly Franchise Fees	<u>27,000.00</u>
Total Franchise Fee Income	77,542.61
Miscellaneous	<u>2,000.00</u>
Total Income	<u>81,732.41</u>
Gross Profit	81,732.41
Expense	
Advertising and Promotion	28,447.62
Bank Service Charges	83.78
Business Licenses and Permits	200.00
Dues and Subscriptions	95.00
Licenses	550.00
Meals and Entertainment	980.52
Printing and Reproduction	111.21
Professional Fees	
Accounting	1,072.50
Legal Fees	3,080.00
Professional Fees - Other	<u>2,374.00</u>
Total Professional Fees	6,526.50
Supplies	24.10
Travel	5,273.95
Website	<u>30.00</u>
Total Expense	<u>42,322.68</u>
Net Ordinary Income	<u>39,409.73</u>
Net Income	<u><u>39,409.73</u></u>

1:02 PM
09/02/21
Cash Basis

WSR Franchise
Balance Sheet
As of June 30, 2021

	<u>Jun 30, 21</u>
ASSETS	
Current Assets	
Checking/Savings	
Cadence PPP	41,502.22
State Bank (formerly Mtn 1st)	1,147,763.16
Total Checking/Savings	1,189,265.38
Other Current Assets	
Due from Buy & Sell Biz	456.25
Due from East Court/QAC	780.00
Due From We Sell Restaurants	-2,501.54
Prepaid Expenses	948.00
Total Other Current Assets	-317.29
Total Current Assets	1,188,948.09
Fixed Assets	
Furniture and Equipment	894.57
Total Fixed Assets	894.57
TOTAL ASSETS	<u>1,189,842.66</u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Other Current Liabilities	
Accrued Expenses - Rent Payable	15,000.00
Chase 0341	2,500.88
Total Other Current Liabilities	17,500.88
Total Current Liabilities	17,500.88
Long Term Liabilities	
PPP Loan	41,665.00
Total Long Term Liabilities	41,665.00
Total Liabilities	59,165.88
Equity	
Member 1 Draws	-20,800.00
Member 2 Draws	-20,800.00
Retained Earnings	1,079,946.12
Net Income	92,330.68
Total Equity	1,130,676.80
TOTAL LIABILITIES & EQUITY	<u>1,189,842.66</u>

WSR FRANCHISE, LLC

Financial Statements

For the years ended December 31, 2020 and 2019

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Notes to the Financial Statements	5 - 7

WESTON & GREGORY, LLC
CERTIFIED PUBLIC ACCOUNTANTS

*100 La Costa Lane, Suite 100
Daytona Beach, FL 32114-8158
386.274.2747*

INDEPENDENT AUDITORS' REPORT

To the Members' and Managers
WSR Franchise, LLC
Atlanta, GA

We have audited the accompanying financial statements of WSR Franchise, LLC (a limited liability company), which comprise the balance sheets as of December 31, 2020 and 2019, and the related statements of operations and members' equity, and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility 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; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of WSR Franchise, LLC as of December 31, 2020 and 2019, 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.

Weston & Gregory, LLC

Daytona Beach, Florida
February 22, 2021

WSR Franchise, LLC
Balance Sheets
December 31, 2020 and 2019

<u>ASSETS</u>	<u>2020</u>	<u>2019</u>
Current Assets:		
Cash and cash equivalents	\$ 946,435	\$ 733,780
Accounts receivable - franchisees	29,292	11,441
Prepaid expenses	948	1,500
Due from affiliates	78,979	16,256
Total current assets	<u>\$ 1,055,654</u>	<u>\$ 762,977</u>
 <u>LIABILITIES AND MEMBERS' EQUITY</u>		
Current Liabilities:		
Accounts payable and accrued expenses	\$ 16,308	\$ 30,198
Total current liabilities	<u>16,308</u>	<u>30,198</u>
Members' equity	<u>1,039,346</u>	<u>732,779</u>
Total liabilities and members' equity	<u>\$ 1,055,654</u>	<u>\$ 762,977</u>

See accompanying notes to financial statements
and independent auditors' report.

WSR Franchise, LLC
Statements of Operations and Members' Equity
For the years ended December 31, 2020 and 2019

	2020	2019
Revenues:		
Royalty revenue from franchisees	\$ 255,339	\$ 148,144
Website support fees	94,875	80,250
Training fees	8,500	-
Advertising income	4,850	7,050
Miscellaneous income	1,815	1,420
Initial franchise fees	-	140,000
Total revenues	365,379	376,864
Operating expenses:		
Rent	36,000	30,000
Professional fees	8,753	11,303
Dues and subscriptions	5,094	4,800
Advertising and promotion	2,767	1,836
Travel	2,342	16,173
Commissions	2,000	20,000
Licenses and permits	639	734
Administrative expense	568	3,817
Meals and entertainment	449	1,232
Training and development	200	1,000
Total operating expenses	58,812	90,895
Operating income	306,567	285,969
Other income (expense):		
Payroll Protection Program loan forgiveness	41,600	-
Net income	348,167	285,969
Members' equity, beginning of year	732,779	546,810
Members' distributions	(41,600)	(100,000)
Members' equity, end of year	\$ 1,039,346	\$ 732,779

See accompanying notes to financial statements
and independent auditors' report.

WSR Franchise, LLC
Statements of Cash Flows
For the years ended December 31, 2020 and 2019

	<u>2020</u>	<u>2019</u>
Cash flows from operating activities:		
Receipts from franchisees	\$ 347,528	\$ 369,763
Proceeds from Payroll Protection Program loan forgiveness	41,600	-
Payment of operating expenses	<u>(72,150)</u>	<u>(94,405)</u>
Net cash provided by operating activities	<u>316,978</u>	<u>275,358</u>
Cash flows from investing activities:		
Distributions to members'	(41,600)	(100,000)
Loans to affiliates	<u>(62,723)</u>	<u>(475)</u>
Net cash used in investing activities	<u>(104,323)</u>	<u>(100,475)</u>
Net increase in cash and cash equivalents	212,655	174,883
Cash and cash equivalents, beginning of year	<u>733,780</u>	<u>558,897</u>
Cash and cash equivalents, end of year	<u>\$ 946,435</u>	<u>\$ 733,780</u>
Reconciliation of net income to net cash provided by operating activities:		
Net income	\$ 348,167	\$ 285,969
Adjustments to reconcile net income to net cash provided by operating activities:		
(Increase) decrease in current assets:		
Accounts receivable - franchisees	(17,851)	(7,101)
Prepaid expenses	552	2,625
Increase (decrease) in current liabilities:		
Accounts payable and accrued expenses	<u>(13,890)</u>	<u>(6,135)</u>
Net cash provided by operating activities	<u>\$ 316,978</u>	<u>\$ 275,358</u>

See accompanying notes to financial statements
and independent auditors' report.

WSR Franchise, LLC
Notes to the Financial Statements
December 31, 2020 and 2019

1. Summary of Significant Accounting Policies:

Nature of Business:

WSR Franchise, LLC (the "Company"), a Georgia limited liability company, was formed on July 26, 2011. The Company enters into franchise agreements with people licensed to sell real estate and businesses or negotiate leases that will utilize services provided by the Company in the restaurant brokerage industry within an assigned territory pursuant to the franchise agreement. As of December 31, 2020, the Company had 16 franchised outlets and 3 company owned outlets in 8 states.

The franchisor has developed a comprehensive system for the operation of a business offering restaurant brokerage services, franchise resale services for the food industry, restaurant site selection services, and consulting services related to restaurant sales and site selection issues.

The distinguishing characteristics of the Company's system include the trademark We Sell Restaurants and other trademarks and trade names, confidential operating procedures, a confidential operation manual, standards and specifications for equipment, services, and products, methods of internet usage, methods of service, management and marketing programs, and sales techniques and strategies.

Cash and Cash Equivalents - the Company considers all highly liquid investments with a maturity of three months or less to be cash equivalents. The Company maintains cash deposits with a financial institution that at times may exceed federally insured limits. As of December 31, 2020 and 2019, cash deposits exceeded federally insured limits by \$696,435 and \$483,780, respectively.

Accounts Receivable - Accounts receivable consists of franchise receivables due from franchisees and are recorded at invoiced amounts. Royalty receivables are recorded at amounts earned based upon rates set forth in the related franchise agreements. Receivables are considered past due based on contractual and invoice terms. Management determines the allowance for doubtful accounts by regularly evaluating individual franchisee receivables and considering a franchisee's financial condition, credit history, and current economic conditions. At December 31, 2020 and 2019, management believes that all receivables are fully collectible and that an allowance for doubtful accounts is not needed.

Income Taxes - Under the Internal Revenue Code, a limited liability company may be treated as a partnership for income tax purposes. Therefore, taxable income or loss is includable in income tax returns of its members. Accordingly, no provision has been made for income taxes in the accompanying financial statements.

The Company files income tax returns in the US federal jurisdiction. With few exceptions, the Company is no longer subject to federal income tax examinations by tax authorities for years before 2017.

Risk and Uncertainties - The Company's royalty revenue stream is greatly influenced by the performance of the underlying franchisees. This can be affected in either a positive or negative manner based upon current trends in the restaurant sales industry.

Reclassification - Certain accounts relating to the prior year have been reclassified to current year presentation with no effect on previously reported net income.

WSR Franchise, LLC
Notes to the Financial Statements
December 31, 2020 and 2019

1. Summary of Significant Accounting Policies: (Continued)

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.

Subsequent Events - The Company has evaluated events and transactions for potential recognition or disclosure in the financial statements through February 22, 2021, the date the financial statements were available to be issued. No subsequent events have been recognized or disclosed.

2. Revenue Recognition:

Revenue is recognized upon satisfaction of performance obligations by the transfer of a product or service to the customer. Revenue is the amount of consideration we expect to receive for our services and products. The majority of our products and services have multiple performance obligations. For our initial franchise fees, the various performance obligations such as site selection, interior and exterior design, and layout, training, marketing, and sales techniques, and opening assistance are generally provided simultaneously at a point in time, and revenue is recognized at that time. We have certain services and products where we have multiple performance obligations that are provided at various points in time. For these services and products, we allocate the transaction price to the various performance obligations based on relative standalone selling prices and recognize the revenue when the respective performance obligations have been satisfied.

3. Franchise Activity:

The Company sells individual franchises. The franchise agreements typically require the franchisee to pay an initial, non-refundable fee prior to opening the respective location(s), and continuing royalty fees on a monthly basis based upon a percentage of franchisee net sales. The initial term of franchise agreements are typically 10 years. Subject to the Company's approval, a franchisee may generally renew the franchise agreement upon its expiration. If approved, a franchisee may transfer a franchise agreement to a new or existing franchisee, at which point a transfer fee is typically paid by the current owner which then terminates that franchise agreement.

The Company provides franchisees pre-opening activities such as support for site selection, interior and exterior design and layout, training, marketing and sales techniques, and opening assistance. These pre-opening activities costs to the franchisor are normally more than the initial franchise fee. Revenue allocated to pre-opening activities is recognized when these services are performed. Franchisees bear all direct costs involved in the development, construction, and operation of their locations. The current standard franchise agreement provides for payment to the Company of an initial franchise fee of \$40,000 per location or a conversion franchise fee of \$30,000 for existing restaurant brokerage firms. A military discount of 25% is offered for qualified U.S. military veterans on initial franchise fees but not for conversion franchise fees. Fees are due at the time the franchise agreement is signed.

Royalty income is recognized during the respective franchise agreement based on the royalties earned each period as the underlying franchise location sales occur.

Website support fees and training fees are paid to the Company by franchisees and are recognized as revenue as such services are provided.

WSR Franchise, LLC
Notes to the Financial Statements
December 31, 2020 and 2019

3. Franchise Activity: Continued)

The following provides a summary of the number of franchises granted, acquired, and closed during the years ended December 31, 2020 and 2019.

	2020	2019
Number of franchises at the beginning of the year	16	12
New franchises granted	-	4
Franchises closed/converted to company locations	-	-
Number of franchises at the end of the year	16	16

4. Related Party Transactions:

The Company paid for operating expenses of affiliate's during the years ended December 31, 2020 and 2019. The affiliates owed the Company \$78,979 and \$16,256 at December 31, 2020 and 2019, respectively.

The Company leases office space from an affiliate. The lease term is for one year with annual renewals. The lease calls for rent of \$3,500 per month through June 2021. For the years ended December 31, 2020 and 2019, the Company paid rent in the amount of \$36,000 and \$30,000, respectively.

5. Payroll Protection Program Loan:

The Company received a loan from Georgia Primary Bank in the amount of \$41,600 under the Paycheck Protection Program established by the Coronavirus Aid, Relief, and Economic Security (CARES) Act. The loan is subject to a note dated May 7, 2020. The Company applied for and has been notified that \$41,600 in eligible expenditures for payroll and other expenses described in the CARES Act has been forgiven. Loan forgiveness is reflected in income in the accompanying statement of operation.

WSR FRANCHISE, LLC

Financial Statements

For the years ended December 31, 2019 and 2018

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WESTON & GREGORY, LLC

CERTIFIED PUBLIC ACCOUNTANTS

*100 La Costa Lane, Suite 100
Daytona Beach, FL 32114-8158
386.274.2747*

INDEPENDENT AUDITORS' REPORT

To the Members' and Managers
WSR Franchise, LLC
Atlanta, GA

We have audited the accompanying financial statements of WSR Franchise, LLC (a limited liability company), which comprise the balance sheets as of December 31, 2019 and 2018, and the related statements of operations and members' equity, and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility 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; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of WSR Franchise, LLC as of December 31, 2019 and 2018, 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.

Weston & Gregory, LLC

Daytona Beach, Florida
March 19, 2020

WSR Franchise, LLC
Balance Sheets
December 31, 2019 and 2018

	2019	2018
<u>ASSETS</u>		
Current Assets:		
Cash and cash equivalents	\$ 733,780	\$ 558,897
Accounts receivable - franchisees	11,441	4,340
Prepaid expenses	1,500	4,125
Due from affiliates	16,256	15,781
Total current assets	\$ 762,977	\$ 583,143
<u>LIABILITIES AND MEMBERS' EQUITY</u>		
Current Liabilities:		
Accounts payable and accrued expenses	\$ 30,198	\$ 36,333
Total current liabilities	30,198	36,333
Members' equity	732,779	546,810
Total liabilities and members' equity	\$ 762,977	\$ 583,143

See accompanying notes to financial statements
and independent auditors' report.

WSR Franchise, LLC
Statements of Operations and Members' Equity
For the years ended December 31, 2019 and 2018

	2019	2018
Revenues:		
Royalty revenue from franchisees	\$ 148,144	\$ 115,063
Initial franchise fees	140,000	190,500
Website support fees	80,250	47,250
Advertising income	7,050	5,010
Miscellaneous income	1,420	17
Total revenues	376,864	357,840
Operating expenses:		
Rent	30,000	30,000
Commissions	20,000	43,400
Travel	16,173	9,878
Professional fees	11,303	9,992
Dues and subscriptions	4,800	4,475
Administrative expense	3,817	1,291
Advertising and promotion	1,836	4,489
Meals and entertainment	1,232	1,654
Training and development	1,000	2,027
Licenses and permits	734	634
Total operating expenses	90,895	107,840
Net income	285,969	250,000
Members' equity, beginning of year	546,810	296,810
Members' distributions	(100,000)	-
Members' equity, end of year	\$ 732,779	\$ 546,810

See accompanying notes to financial statements
and independent auditors' report.

WSR Franchise, LLC
Statements of Cash Flows
For the years ended December 31, 2019 and 2018

	2019	2018
Cash flows from operating activities:		
Receipts from franchisees	\$ 369,763	\$ 349,465
Payment of operating expenses	<u>(94,405)</u>	<u>(69,957)</u>
Net cash provided by operating activities	<u>275,358</u>	<u>279,508</u>
Cash flows from investing activities:		
Distributions to members'	(100,000)	-
Loans to affiliates	<u>(475)</u>	<u>(3,391)</u>
Net cash used in investing activities	<u>(100,475)</u>	<u>(3,391)</u>
Net increase in cash and cash equivalents	174,883	276,117
Cash and cash equivalents, beginning of year	<u>558,897</u>	<u>282,780</u>
Cash and cash equivalents, end of year	<u>\$ 733,780</u>	<u>\$ 558,897</u>
Reconciliation of net income to net cash provided by operating activities:		
Net income	\$ 285,969	\$ 250,000
Adjustments to reconcile net income to net cash provided by operating activities:		
(Increase) decrease in current assets:		
Accounts receivable - franchisees	(7,101)	(1,425)
Prepaid expenses	2,625	1,550
Increase (decrease) in current liabilities:		
Accounts payable and accrued expenses	(6,135)	36,333
Deferred franchise fees	<u>-</u>	<u>(6,950)</u>
Net cash provided by operating activities	<u>\$ 275,358</u>	<u>\$ 279,508</u>

See accompanying notes to financial statements
and independent auditors' report.

WSR Franchise, LLC
Notes to the Financial Statements
December 31, 2019 and 2018

1. Summary of Significant Accounting Policies:

Nature of Business:

WSR Franchise, LLC (the "Company"), a Georgia limited liability company, was formed on July 26, 2011. The Company enters into franchise agreements with people licensed to sell real estate and businesses or negotiate leases that will utilize services provided by the Company in the restaurant brokerage industry within an assigned territory pursuant to the franchise agreement. As of December 31, 2019, the Company had 16 franchised outlets and 3 company owned outlets in 8 states.

The franchisor has developed a comprehensive system for the operation of a business offering restaurant brokerage services, franchise resale services for the food industry, restaurant site selection services, and consulting services related to restaurant sales and site selection issues.

The distinguishing characteristics of the Company's system include the trademark We Sell Restaurants and other trademarks and trade names, confidential operating procedures, a confidential operation manual, standards and specifications for equipment, services, and products, methods of internet usage, methods of service, management and marketing programs, and sales techniques and strategies.

Cash and Cash Equivalents - the Company considers all highly liquid investments with a maturity of three months or less to be cash equivalents. The Company maintains cash deposits with a financial institution that at times may exceed federally insured limits. As of December 31, 2019 and 2018, cash deposits exceeded federally insured limits by \$483,780 and \$308,897, respectively.

Accounts Receivable - Accounts receivable consists of franchise receivables due from franchisees and are recorded at invoiced amounts. Royalty receivables are recorded at amounts earned based upon rates set forth in the related franchise agreements. Receivables are considered past due based on contractual and invoice terms. Management determines the allowance for doubtful accounts by regularly evaluating individual franchisee receivables and considering a franchisee's financial condition, credit history, and current economic conditions. At December 31, 2019 and 2018, management believes that all receivables are fully collectible and that an allowance for doubtful accounts is not needed.

Adoption of New Accounting Pronouncements - In May 2014, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update No. 2014-09, "Revenue from Contracts with Customers," (ASU 2014-09), which is a comprehensive new revenue recognition model that requires an entity to recognize the amount of revenue which reflects the consideration it expects to receive in exchange for the transfer of the promised goods or services to customers. This ASU also requires additional disclosure about the nature, amount, timing, and uncertainty of revenue and cash flows arising from customer contracts, including significant judgments and changes in judgments and assets recognized from costs incurred to obtain or fulfill a contract, and clarifies guidance for multiple-element arrangements. This guidance replaced most existing revenue recognition guidance in GAAP when it became effective. The new standard was effective for us on January 1, 2019, and we adopted using the full retrospective transition method. The adoption of this guidance did not have a significant impact on our financial statements. See note 2 for additional information.

Income Taxes - Under the Internal Revenue Code, a limited liability company may be treated as a partnership for income tax purposes. Therefore, taxable income or loss is includable in income tax returns of its members. Accordingly, no provision has been made for income taxes in the accompanying financial statements.

The Company files income tax returns in the US federal jurisdiction. With few exceptions, the Company is no longer subject to federal income tax examinations by tax authorities for years before 2016.

WSR Franchise, LLC
Notes to the Financial Statements
December 31, 2019 and 2018

1. Summary of Significant Accounting Policies: (Continued)

Risk and Uncertainties - The Company's royalty revenue stream is greatly influenced by the performance of the underlying franchisees. This can be affected in either a positive or negative manner based upon current trends in the restaurant sales industry.

Reclassification - Certain accounts relating to the prior year have been reclassified to current year presentation with no effect on previously reported net income.

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.

Subsequent Events - The Company has evaluated events and transactions for potential recognition or disclosure in the financial statements through March 19, 2020, the date the financial statements were available to be issued. No subsequent events have been recognized or disclosed.

2. Revenue Recognition:

On January 1, 2019, we adopted ASU 2014-09 using the full retrospective approach for all contracts as of the adoption date. As the adoption of this guidance did not have a significant impact on our financial statements, no adjustments were made to the prior year periods to be in compliance with ASU 2014-09. Revenue is recognized upon satisfaction of performance obligations by the transfer of a product or service to the customer. Revenue is the amount of consideration we expect to receive for our services and products. The majority of our products and services have multiple performance obligations. For our initial franchise fees, the various performance obligations such as site selection, interior and exterior design and layout, training, marketing and sales techniques, and opening assistance are generally provided simultaneously at a point in time, and revenue is recognized at that time. We have certain services and products where we have multiple performance obligations that are provided at various points in time. For these services and products, we allocate the transaction price to the various performance obligations based on relative standalone selling prices and recognize the revenue when the respective performance obligations have been satisfied.

3. Franchise Activity:

The Company sells individual franchises. The franchise agreements typically require the franchisee to pay an initial, non-refundable fee prior to opening the respective location(s), and continuing royalty fees on a monthly basis based upon a percentage of franchisee net sales. The initial term of franchise agreements are typically 10 years. Subject to the Company's approval, a franchisee may generally renew the franchise agreement upon its expiration. If approved, a franchisee may transfer a franchise agreement to a new or existing franchisee, at which point a transfer fee is typically paid by the current owner which then terminates that franchise agreement.

The Company provides franchisees pre-opening activities such as support for site selection, interior and exterior design and layout, training, marketing and sales techniques, and opening assistance. These pre-opening activities costs to the franchisor are normally more than the initial franchise fee. Revenue allocated to pre-opening activities is recognized when these services are performed. Franchisees bear all direct costs involved in the development, construction, and operation of their locations. The current standard franchise agreement provides for payment to the Company of an initial franchise fee of \$40,000 per location or a conversion franchise fee of \$30,000 for existing restaurant brokerage firms. A military discount of 25% is offered for qualified U.S. military veterans on initial franchise fees but not for conversion franchise fees. Fees are due at the time the franchise agreement is signed.

WSR Franchise, LLC
Notes to the Financial Statements
December 31, 2019 and 2018

3. Franchise Activity: Continued)

Royalty income is recognized during the respective franchise agreement based on the royalties earned each period as the underlying franchise location sales occur.

Website support fees are paid to the Company by franchisees and are recognized as revenue as such services are provided.

The following provides a summary of the number of franchises granted, acquired, and closed during the years ended December 31, 2019 and 2018.

	2019	2018
Number of franchises at the beginning of the year	12	10
New franchises granted	4	4
Franchises closed/converted to company locations	-	(2)
Number of franchises at the end of the year	16	12

4. Related Party Transactions:

The Company paid for operating expenses of affiliate's during the years ended December 31, 2019 and 2018. The affiliates owed the Company \$16,256 and \$15,781 at December 31, 2019 and 2018, respectively. The Company leases office space from Buy & Sell Biz, LLC, an entity with common ownership. The lease term is for ten years beginning on January 1, 2012. The lease calls for rent of \$3,000 per month through December 2017 and \$2,500 per month through December 2022. For the years ended December 31, 2019 and 2018, the Company paid rent in the amount of \$30,000.



EXHIBIT B

WSR FRANCHISE, LLC

FRANCHISE AGREEMENT



WSR FRANCHISE, LLC
FRANCHISE AGREEMENT

Franchise #: _____

Legal Name of Franchisee: _____

Tax I.D. #: _____

Contact Name: _____

Address: _____

City, State, Zip: _____

Primary Phone #: _____

Secondary Phone #: _____

Email Address: _____

Fax Number: _____

Date: _____

Territory: _____

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ATTACHMENT A - Territory, Quotas, Branch Offices & Initial Fees

ATTACHMENT B - Guaranty and Assumption of Franchisee's Obligations

ATTACHMENT C - Statement of Ownership

ATTACHMENT D - Authorization Agreement for Prearranged Payments

ATTACHMENT E - Collateral Assignment of Telephone Numbers, Telephone Listings
and Internet Addresses

ATTACHMENT F - Non-Disclosure and Non-Competition Agreement

ATTACHMENT G - Renewal and General Release

ATTACHMENT H - State Law Addenda

FRANCHISE AGREEMENT

THIS FRANCHISE AGREEMENT (“Agreement”) is made this ____ day of _____, 20____, by and between **WSR FRANCHISE, LLC**, a Georgia limited liability company, located at 5055 N. Oceanshore Boulevard, Palm Coast, Florida 32137 (“**Franchisor**”), _____ and _____, located at _____ (“**Franchisee**”).

RECITALS

WHEREAS, the Franchisor has developed a comprehensive system for the operation of a business offering Restaurant brokerage services, Restaurant site selections services, and consulting services related to Restaurant sales and site selection issues (“**Restaurant Brokerage Business**”); and

WHEREAS, the Restaurant Brokerage Businesses are operated under a business format with a unique system of high standards of service, including valuable know-how, information, Trade Secrets, Confidential Information, methods, confidential Operations Manual, standards, designs, methods of trademark usage, copyrights, sources and specifications, confidential electronic and other communications, methods of Internet usage, marketing programs, and research and development; and

WHEREAS, the distinguishing characteristics of the System include the trademark “**We Sell Restaurants®**” and other trademarks and trade names, confidential operating procedures, confidential Operations Manual, standards and specifications for equipment, services and products, method of Internet usage, methods of service, management and marketing programs and sales techniques and strategies. All of these distinguishing characteristics may be changed, improved, and further developed by the Franchisor periodically. They are Franchisor's Confidential Information and Trade Secrets and are designated by and identified with the Marks described in this Agreement; and

WHEREAS, the Franchisor continues to use, develop and control the use of the Marks to identify for the public the source of services and products marketed under the System, and which represent the System's high standards of quality, service and customer satisfaction; and

WHEREAS, the Franchisee acknowledges the benefits to be derived from being identified with the System and also recognizes the value of the Marks and the continued uniformity of image to the Franchisee, the Franchisor, and other franchisees of the Franchisor; and

WHEREAS, the Franchisee acknowledges the importance to the System of the Franchisor's high and uniform standards of quality, service and customer satisfaction, and further recognizes the necessity of opening and operating a Restaurant Brokerage Business in conformity with the System; and

WHEREAS, the Franchisee recognizes that to enhance the value of the System and goodwill associated with it, this Agreement places detailed obligations on the Franchisee, including strict adherence to the Franchisor's reasonable present and future requirements regarding the types of services offered, advertising used, operational techniques, marketing and sales strategies and related matters; and

WHEREAS, the Franchisee is aware of the foregoing and desires to obtain the right to use the System and in association with the System, the right to use the Marks, and wishes to be assisted, trained, and franchised to operate a Restaurant Brokerage Business within the Territory specified in this Agreement and subject to the terms and conditions contained in this Agreement.

NOW, THEREFORE, in consideration of the premises and other valuable consideration, the parties hereto agree as follows:

ITEM 1 - DEFINITIONS

For the purposes of this Agreement, the following terms are hereby defined:

(1) **“Agent”** - means a person or group of persons licensed to sell real estate, businesses or negotiate leases within the Territory who are affiliated with the Restaurant Brokerage Business and uses services provided by the Franchisee pursuant to this Agreement. An Agent may be an employee of Franchisee or independent contractor based on the laws of the state in which the Restaurant Brokerage Business is operated.

(2) **“Agreement”** - means this agreement, and all exhibits, schedules, attachments, instruments and amendment.

(3) **“Affiliate”** - means any person or entity that controls, is controlled by, or is in common control with, the Franchisor.

(4) **“Business”** or **“Restaurant Brokerage Business”** - means the Restaurant Brokerage Business operations conducted or to be conducted by the Franchisee pursuant to this Agreement and consisting of a Business offering restaurant brokerage services.

(5) **“Confidential Information”** - means all knowledge, know-how, standards, methods and procedures related to the establishment and operation of the System and includes all records pertaining to customers, suppliers, and other service providers of, and/or related in any way to, Franchisee's Restaurant Brokerage Business including, without limitation, all databases (whether in print, electronic or other form), all names, addresses, phone numbers, email addresses, customer purchase or sales records, manuals, promotional and marketing materials, marketing strategies and any other data which the Franchisor designates as confidential or Franchisee reasonably should know Franchisor would consider confidential.

(6) **“Franchisor's System”** or **“System”** - means the standards, systems, concepts, identifications, methods, and procedures developed or used by the Franchisor, or which may hereafter be developed or used by the Franchisor, including the trademark **“We Sell**

Restaurants® and other trademarks and trade names, confidential operating procedures, confidential Operations Manual, standards and specifications for equipment, services and products, method of Internet usage, training methods, methods of service, management and marketing programs and sales techniques and strategies for the sale and marketing of the Franchisor's Services.

(7) **“Franchise”** - means the business operations, including the Restaurant Brokerage Business, conducted or to be conducted by Franchisee using the Franchisor's System and in association with the Marks.

(8) **“Gross Revenues”** - means the total of all commissions, monthly fees, transaction fees, valuation fees, consulting fees, professional witness fees, leasing fees, and other fees received by the Franchisee (prior to any payments made to Agents) from all sources (including but not limited to referral fees and finder's fees received from brokers or agents in other brokerage companies) which is derived from the sale, lease, transfer or other disposition (including like-kind exchanges, barter exchanges, or other exchanges of property not involving money) of Restaurants, including any note, obligation, lien or other consideration given to Franchisee in lieu of a commission and insurance claims for lost profits if a claim is paid by the insurer, less commissions and referral fees paid to cooperating or referring brokers in other brokerage companies. Gross Revenues do not include the amount of any tax imposed by any federal, state, municipal or other governmental authority directly on sales and collected from customers, provided that the amount of any tax is shown separately and in fact paid by the Franchisee to the appropriate governmental authority.

Gross Revenues will be deemed received by the Franchisee at the earlier of the closing of any transaction described above or when payment for any Services is received by Franchisee or an Agent. Gross Revenues consisting of property or services will be valued at the fair market value of the property or services at the time that they are received.

(9) **“Lease”** - means any agreement (whether oral or written) under which the right to occupy an Office has been obtained, and any amendment made to the lease periodically, including, any offer to lease, license or lease agreement.

(10) **“Marks”** - means the trademark **“WE SELL RESTAURANTS®”**, to the extent of the Franchisor's rights to the same, together with those other trade names, trademarks, symbols, logos, distinctive names, service marks, certification marks, logo designs, insignia or otherwise which may be designated by the Franchisor periodically as part of the System for use by Franchisees, and not withdrawn.

(11) **“National Accounts Programs”** - means any program designated by Franchisor to serve any national or regional franchise company, Restaurant chain, chain food service operator, or other multi-unit Restaurant operator owning and operating Restaurants in more than one franchised Territory.

(12) **“Office(s)”** - means the approved location or locations where Franchisee operates the Restaurant Brokerage Business.

(13) **“Operations Manual”** - means, but is not limited to, collectively, all directives, books, pamphlets, bulletins, memoranda, order forms, invoices, letters, e-mail, Internet or intranet data, or other publications, documents, software programs, video tapes, transmittances or communications, in whatever form (including electronic form) prepared by or on behalf of the Franchisor for use by the franchisees generally or for the Franchisee in particular, setting forth information, advice and standards, requirements, marketing information and procedures, operating procedures, instructions or policies relating to the operation of the Restaurant Brokerage Business or the operation of Franchises, as same may be added to, deleted or otherwise amended by the Franchisor periodically.

(14) **“Products”** - means all supplies and other materials used by Franchisee or provided to Franchisee's customers in connection with the Restaurant Brokerage Business and associated with the Marks.

(15) **“Restaurant”** - means any business related to the sale of food or beverages or the production of food including, but not limited to, restaurants, bars, night clubs, commissaries, food trucks, catering operations, USDA food production facilities, liquor stores, wine stores, and businesses operating in the food service and hospitality industry.

(16) **“Services”** - means any and all assistance, guidance, recommendations, marketing and other services for the sale, transfer or other disposition of Restaurants, including franchise resale services for Restaurant companies and franchise companies operating in the food industry (**“Restaurant Brokerage Services”**), the provision of site selection services to restaurant companies or franchisees (**“Site Selection Services”**), the provision of consulting, valuation or professional witness services, due diligence services, or the provision of any ongoing advice regarding Restaurant-related issues (collectively, **“Consulting Services”**), or any other approved services conducted or otherwise provided by Franchisee and the Agents in connection with the Restaurant Brokerage Business or associated with the Marks.

(17) **“Trade Secret(s)”** - means information, including a formula, pattern, compilation, program, device, method, technique or process related to the System that both derives independent 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 is the subject of efforts that are reasonable under the circumstances to maintain its secrecy.

ITEM 2 - COVENANTS, REPRESENTATIONS, AND WARRANTIES OF THE FRANCHISEE

The Franchisee covenants, represents and warrants as follows and acknowledges that the Franchisor is relying upon these covenants, representations and warranties in making its decision to enter into this Agreement.

(1) The Franchisee acknowledges that it has received, has had ample time to read, and has read this Agreement, the Franchise Disclosure Document, and all related agreements with the Franchisor. The Franchisee acknowledges that the Franchisor has advised it to obtain independent

legal and accounting advice with respect to this Agreement and the transactions arising out of this Agreement. The Franchisee further acknowledges that it has had an adequate opportunity to be advised by legal, accounting and other professional advisors of its own choosing regarding all pertinent aspects of the Restaurant Brokerage Business, the Franchisor and this Agreement.

(2) The Franchisee has, or has made firm arrangements to acquire, funds to commence, open and operate the Restaurant Brokerage Business. Franchisee is financially and otherwise able to accept the risks attendant upon entering into this Agreement.

(3) All statements made by the Franchisee in writing in connection with its application for the Franchise were true when made and continue to be true as of the date of this Agreement.

(4) There are no material financial obligations of the Franchisee whether actual or contingent which are outstanding as of the date of this Agreement other than those disclosed to the Franchisor by the Franchisee in writing.

(5) The Franchisee is not a party to or subject to any court or administrative order or action of any governmental authority which would limit or interfere in any way with the performance by the Franchisee of its obligation hereunder.

(6) The Franchisee is not a party to any litigation or legal proceedings other than those which have been disclosed to the Franchisor by the Franchisee in writing.

(7) The Franchisee represents that it is not a party to or subject to agreements or arrangements that might conflict with the terms of this Agreement and agrees not to enter into any conflicting agreements or arrangements during the Initial Term or any Interim Period.

(8) The Franchisee agrees and acknowledges that it has not been induced to enter into this Agreement in reliance upon, nor as a result of, any statements, representations, warranties, conditions, covenants, promises or inducements, whatsoever, whether oral or written, and whether directly related to the contents of this Agreement or collateral thereto, made by the Franchisor, its officers, directors, agents, employees or contractors except as provided herein. The Franchisee acknowledges that the Franchise has been granted in reliance upon the information supplied to the Franchisor in the Franchisee's application for a Franchise.

(9) The Franchisee represents that, if required by law, it or its owners are licensed real estate brokers or otherwise are in compliance with the laws related to the offering of business brokerage services in the state or states in which Franchisee's Office is located or Franchisee is licensed by Franchisor to operate the Restaurant Brokerage Business; are familiar with the real estate laws and regulations of the state or states; and, the Franchise is being acquired to use the System and the Marks in the operation of a Restaurant Brokerage Business and not for speculative or investment purposes.

(10) Franchisee and its owners agree to comply with and/or to assist Franchisor to the fullest extent possible in Franchisor's efforts to comply with Anti-Terrorism Laws (as defined below). In connection with this compliance, Franchisee and its owners certify, represent, and

warrant that none of their property or interests is subject to being “blocked” under any of the Anti-Terrorism Laws and that Franchisee and its owners are not otherwise in violation of any of the Anti-Terrorism Laws.

a. Franchisee and its owners certify that they, their respective employees, and anyone associated with Franchisee are not listed in the Annex to Executive Order 13224 (<http://www.treasury.gov/offices/enforcement/ofac/sanctions/terrorism.html>). Franchisee agrees not to hire (or, if already employed, retain the employment of) any individual who is listed in the Annex.

b. Franchisee certifies that it has no knowledge or information that, if generally known, would result in Franchisee, its owners, their employees, or anyone associated with Franchisee to be listed in the Annex.

c. Franchisee is solely responsible for ascertaining what actions it must take to comply with the Anti-Terrorism Laws, and Franchisee specifically acknowledges and agrees that its indemnification responsibilities set forth in this Agreement pertain to its obligations to comply with this Section (10).

d. Any misrepresentation under this Section or any violation of the Anti-Terrorism Laws by Franchisee, its owners, agents, or its employees constitutes grounds for immediate termination of this Agreement and any other agreement Franchisee has entered with Franchisor or any of its Affiliates.

e. “**Anti-Terrorism Laws**” means Executive Order 13224 issued by the President of the United States, the Terrorism Sanctions Regulations (Title 31, Part 595 of the U.S. Code of Federal Regulations), the Foreign Terrorist Organizations Sanctions Regulations (Title 31, Part 597 of the U.S. Code of Federal Regulations), the Cuban Assets Control Regulations (Title 31, Part 515 of the U.S. Code of Federal Regulations), the USA PATRIOT Act, and all other present and future federal, state and local laws, ordinances, regulations, policies, lists and any other requirements of any governmental authority (including, without limitation, the United States Department of Treasury Office of Foreign Assets Control and any government agency outside the U.S.) addressing or in any way relating to terrorist acts and/or acts of war.

ITEM 3 - GRANT OF LICENSE

(1) Subject to all the terms and conditions of this Agreement, the Franchisor hereby grants to the Franchisee, and the Franchisee accepts, for the Initial Term of this Agreement and any Interim Period, the right and license (“**License**”) to:

a. Operate a Restaurant Brokerage Business at the approved Office upon the terms and conditions of this Agreement in the territory described in **Attachment A (“Territory”)**;

b. Use the Marks and the System; and

c. Offer and market ONLY the Franchisor's approved Services and Products unless the Franchisor approves in writing (approval to be in the Franchisor's sole and absolute discretion) the Franchisee's request to offer and market complementary and non-competing services or products.

(2) The Franchisee recognizes that variations and additions to the System may be required periodically to preserve and/or enhance the System. Therefore, the Franchisor expressly reserves the right to add to, subtract from, revise, modify or change periodically the System or any part thereof, and the Franchisee agrees to promptly accept and comply with any addition, subtraction, revision, modification or change and to make those reasonable expenditures as may be necessary to comply with this Agreement.

(3) Franchisee recognizes that the rights granted to the Franchisee hereunder are for the specific Territory defined in Attachment A and no other and cannot be transferred to an alternate Territory without the prior written approval of the Franchisor, which approval may be granted or withheld in Franchisor's sole discretion.

ITEM 4 - TERM OF THE AGREEMENT AND LICENSE

(1) This Agreement and the License granted hereunder will continue for a period of ten (10) years ("Initial Term"). This Initial Term begins on the date this Agreement is signed by the Franchisor, subject, however, to termination in accordance with the provisions of this Agreement. When the Initial Term and any Interim Period expires, the Franchisee will have the right, subject to Section (4)2 of this ITEM, to extend its rights to operate the Restaurant Brokerage Business for one additional term ("**Successor Term**") equal to the initial term then being offered to new franchisees of Franchisor. If the Franchisee's rights to operate the Restaurant Brokerage Business are extended, the Franchisee must pay the Franchisor the Successor Franchise Fee set forth in Section (4)2 of this ITEM.

(2) The Franchisor may refuse to extend the Franchisee's rights to operate the Restaurant Brokerage Business if the Franchisee has:

1. Failed to remedy any breach of this Agreement by Franchisee specified by the Franchisor in a written notice to the Franchisee as per Section 18(1) or Section 18(2) herein; or
2. Committed and received notice of two (2) or more breaches of this Agreement in the twenty-four (24) months before the end of the Initial Term, even if those breaches were timely remedied; or
3. Failed to meet all elements of the Minimum Annual Quota, as set forth in Section 5(4) of this Agreement, for any year during the Initial Term or any Interim Period; or

4. The Franchisee has not given the Franchisor a written notice of intent to extend Franchisee's rights to operate the Restaurant Brokerage Business no less than six (6) months or more than nine (9) months before the expiration of the Initial Term; or

5. The Franchisee is not current in all its payment obligations to the Franchisor or to the Franchisee's trade creditors.

(3) If the Franchisor agrees to extend the Franchisee's rights to operate the Restaurant Brokerage Business at the end of the Initial Term, the Franchisee will sign a successor franchise agreement (“**Successor Franchise Agreement**”) and all other agreements in the form then being used by the Franchisor in granting new franchises and pay the Successor Franchise Fee set forth in Section (4)2 of this ITEM. The Franchisor reserves the right to change any term(s) of the Successor Franchise Agreement form to be signed by the Franchisee upon the extension of the Franchisee's rights to operate the Restaurant Brokerage Business (except as specified below). There will not, however, be another Initial Franchise Fee or Conversion Fee charged in connection with the extension of the Franchisee's rights to operate the Restaurant Brokerage Business. IN FRANCHISOR'S SOLE DETERMINATION, THE FRANCHISEE MAY BE DEEMED TO HAVE IRREVOCABLY DECLINED TO RENEW THE FRANCHISE (AND AT FRANCHISOR'S OPTION IT WILL THEREUPON TERMINATE) IF FRANCHISEE FAILS TO SIGN AND RETURN TO THE FRANCHISOR THE SUCCESSOR FRANCHISE AGREEMENT AND OTHER DOCUMENTS REQUIRED BY THE FRANCHISOR WITHIN THIRTY (30) DAYS AFTER THEIR DELIVERY TO THE FRANCHISEE OR FAILS TO COMPLY IN ANY OTHER WAY WITH THE PROVISIONS OF THIS ITEM 4.

(4) As additional conditions to the extension of the Franchisee's rights to operate the Restaurant Brokerage Business, the Franchisor may, in its sole discretion, require the Franchisee to:

1. Sign a general release of all claims the Franchisee may have against the Franchisor, its officers, directors, members, shareholders, agents, Affiliates, and employees, whether in their corporate and/or individual capacities. This release will include all claims arising under any federal, state, or local law, rule, or ordinance arising out of or concerning this Agreement (to the fullest extent permitted by law) and will be in the form attached hereto as Exhibit G;

2. Pay the successor franchise fee (“**Successor Franchise Fee**”) equal to Five Thousand Dollars (\$5,000), which is due and payable to the Franchisor at the time of signing the Successor Franchise Agreement;

3. Agree to give the Franchisor not less than six (6) months nor more than nine (9) months prior written notice of the Franchisee's election to extend (or not to extend) the Franchisee's rights to operate the Restaurant Brokerage Business. Failure to give timely notice of the Franchisee's intention to extend its rights to operate the Restaurant Brokerage Business will be deemed an election not to extend the Franchisee's rights to operate the Restaurant Brokerage Business;

4. Upgrade the computer system and any related software used in operations of the Restaurant Brokerage Business to Franchisor's then-current standards and specifications;
5. Comply with all other provisions contained in the Operations Manual, as modified periodically by Franchisor; and
6. Provide proof of current certificates, authorizations, licenses, insurance and permits.

ITEM 5 - TERRITORY

(1) During the Initial Term and for so long as the Franchisee is in compliance with all of its obligations hereunder, except as otherwise provided in this Agreement, and subject to the Franchisor's reservation of rights as set forth in Section (2) and as provided in Section (4) below, neither the Franchisor nor any Affiliate will establish or license another person or entity to establish an Office for the purposes of operating a Restaurant Brokerage Business using the Marks licensed to Franchisee within the Territory encompassed by the boundaries set forth in **Attachment A**, attached and incorporated by reference. In addition, subject to the provisions set forth in Section 5(2) of this ITEM, Franchisee shall have the sole right to market Franchisee's Restaurant Brokerage Business directly to Restaurants operating in Territory. The rights granted to Franchisee in this Section do not prohibit other franchisees and Franchisor or agents of Franchisor from listing and selling Restaurants or providing Site Selection Services or Consulting Services in Franchisee's Territory nor is Franchisee prohibited from listing or selling Restaurants or providing Site Selection Services or Consulting Services in a territory granted to another Franchisee, provided that Franchisee is licensed to sell Restaurants or provide Site Selection Services or Consulting Services in that area. Except as otherwise specifically provided in this Agreement, this Agreement does not restrict the Franchisor or its Affiliates from pursuing any other business concept and does not grant rights to the Franchisee to pursue any of Franchisor's or its Affiliates other business concepts other than the Restaurant Brokerage Business.

(2) The Franchisee acknowledges that the Franchise granted hereunder is nonexclusive and that the Franchisor and its Affiliates retain the exclusive right to, among others:

1. Use, and to license others to use, the Marks and System for the operation of Restaurant Brokerage Businesses at any location other than in the Territory, regardless of proximity to the Territory;
2. Use, license and franchise the use of trademarks or service marks other than the Marks, whether in alternative channels of distribution or at any location including within the Territory, in association with operations that are the same as, similar to or different from the Restaurant Brokerage Business;
3. Use the Marks and the System in connection with the provision of other services and products or in alternative channels of distribution such as those described in Section (2)4 of this ITEM, at any location including within the Territory;

4. Offer the Services or Products, or grant others the right to offer the Services or Products, whether using the Marks or other trademarks or service marks, through alternative channels of distribution, including without limitation, distribution outlets other than Restaurant Brokerage Businesses, or by Internet commerce (e-commerce), mail order or otherwise, whether inside or outside the Territory;

5. Use any websites utilizing a domain name incorporating one or more of the words “**We**”, “**Sell**” and/or “**Restaurants**” or similar derivatives. The Franchisor retains the sole and exclusive right to market on the Internet and use the Marks on the Internet, including all use of websites, domain names, URL's, directory addresses, metatags, linking, advertising, social networking site, electronic marketing sites, and co-branding and other arrangements. The Franchisee may not independently market on the Internet, or use any domain name, address, locator, link, social networking site, electronic marketing site, metatag, or search technique, with words or symbols similar to the Marks or otherwise establish any presence on the Internet without Franchisor's prior written approval. The Franchisor intends that any Franchisee website be accessed only through the Franchisor's home page. The Franchisee will provide the Franchisor with content for the Franchisor's Internet marketing, and will sign Internet and intranet usage agreements, if any. The Franchisor retains the right to approve any linking or other use of its website; and

6. To implement multi-area marketing programs or National Accounts Programs which may allow the Franchisor or others to solicit customers or sell Products or Services anywhere. The Franchisor reserves the right to issue mandatory policies to coordinate such multi-area marketing programs or National Accounts Programs.

(3) In determining the Territory, as set forth in **Attachment A**, Franchisor will use geographic or political boundaries (including but not limited to city, county or state boundary lines) and other characteristics including natural boundaries, and the amount and size of urban, suburban and rural areas. Franchisee acknowledges and agrees that once the Territory has been established, it will not be changed regardless of any increase or decrease of the number of licensed Agents within in the Territory.

(4) To maintain the Territory, Franchisee must meet the Minimum Annual Quota set forth in **Attachment A**. Franchisee's failure to satisfy the Minimum Annual Quota may result in the reduction or elimination of the Franchisee's Territory or the termination of this Agreement, in Franchisor's sole discretion.

ITEM 6 - FEES

(1) The Franchisee will pay a non-recurring initial franchise fee of Forty Thousand Dollars (\$40,000.00) (“**Initial Franchise Fee**”) or a conversion fee of Thirty Thousand Dollars (\$30,000.00) (“**Conversion Fee**”), as applicable, to the Franchisor upon the execution of this Agreement, plus, if due and payable, all applicable federal, state or municipal taxes. The Initial Franchise Fee or Conversion Fee will be paid by means of cashier's check, money order or wire transfer. The Initial Franchise Fee or Conversion Fee is deemed fully earned by the Franchisor when paid. **The Initial Franchise Fee or Conversion Fee is non-refundable.** Any fee paid by

Franchisee to Franchisor in connection with Franchisee's application to Franchisor for approval to become a franchisee will be credited, in full, towards the Initial Franchise Fee.

(2) The Franchisee will pay to the Franchisor a royalty fee (“**Royalty Fee**”) equal to the greater of fifteen percent (15%) of Gross Revenue for each transaction of the Initial Term of this Agreement and any Interim Period or a minimum royal fee during the first four (4) month after training of \$0, during months 5 through 12 of \$500, during months 13 through 24 of \$750, and during months 25 through 120 of \$1,000. If Franchisee permits a party to finance or otherwise extend the time for payment of a sales commission, the full Royalty Fee shall still be paid to Franchisor within one (1) month of the closing of the sale, lease, transfer or other disposition of the applicable Restaurant. The minimum Royalty Fee to be paid by Franchisee to Franchisor on each sale, lease, transfer or other disposition of a Restaurant by Franchisee shall be One Thousand Dollars (\$1,000).

(3) The Royalty Fee is payable to Franchisor on or before the 10th day of each month for the preceding calendar month and is payable through the entire Initial Term of this Agreement and any Interim Period. The Franchisee will pay the Royalty Fee monthly or in any other frequency including as part of the closing of each transaction, as the Franchisor may in its sole discretion require upon written notice to the Franchisee by the Franchisor. The Franchisee will not subordinate to any other obligation its obligation to pay the Royalty Fee or any other fee or charge hereunder. Each Royalty Fee payment will be accompanied by a report.

(4) Each Royalty Fee payment is, without exception, accompanied by a statement of the previous month's Gross Revenues on a form approved and provided to the Franchisee by the Franchisor. **Each failure to include a fully completed statement of the previous month's Gross Revenues with the Royalty Fees payable to the Franchisor when due constitutes a material breach of this Agreement.**

(5) The Franchisor reserves the right to require the Franchisee to remit fees and other amounts due to the Franchisor hereunder via electronic funds transfer (“**EFT**”) or other similar means utilizing a Franchisor approved computer system or otherwise. The EFT Authorization is attached to this Agreement as **Attachment D**. If the Franchisor directs the Franchisee to use this payment method, the Franchisee agrees to comply with procedures specified by the Franchisor and/or perform those acts and deliver and sign those documents, including authorization for direct debits from the Franchisee's business bank operating account, as may be necessary to accomplish payment by this method. Under this procedure, the Franchisee will authorize the Franchisor to initiate debit entries and/or credit correction entries to a designated checking or savings account for payments of fees and other amounts payable to the Franchisor, including any interest charged thereon. The Franchisee will make funds available to the Franchisor for withdrawal by electronic transfer no later than the due date for payment therefore. If the Franchisee has not timely reported the Gross Revenues to the Franchisor for any reporting period, then the Franchisor is authorized, at the Franchisor's option, to debit the Franchisee's account in an amount equal to (a) the fees transferred from the Franchisee's account for the last reporting period for which a report of the Gross Revenues was provided to the Franchisor as required hereunder; or (b) the amount due based on information retrieved from the Franchisor approved computer system.

ITEM 7 - ACCOUNTING, RECORDS, AUDITS AND LATE PAYMENT CHARGES

(1) The Franchisee will keep those complete records of its Restaurant Brokerage Business as a prudent and careful businessperson would normally keep. The Franchisee must use the accounting system and the pre-formatted template required by the Franchisor, if any. The Franchisee will keep its financial books and records as the Franchisor may periodically direct in the Operations Manual or otherwise, including retention of all invoices, order forms, payroll records, check records, bank deposit receipts, sales tax records, commission reports, settlement statements, refunds, cash disbursements, journals, and general ledgers. The Franchisee will advise the Franchisor of the location of all original documents and will not destroy any records without the written consent of the Franchisor.

(2) The Franchisee will prepare, on a current basis, complete and accurate records concerning all financial, marketing and other operating aspects of the Restaurant Brokerage Business conducted under this Agreement, as the Franchisor will prescribe periodically. The Franchisee will maintain an accounting system which accurately reflects all operational aspects of the Restaurant Brokerage Business including uniform reports as may be required by the Franchisor. The Franchisee's records will include tax returns, daily reports, statements of Gross Revenues (to be prepared each month for the preceding month), profit and loss statements (to be prepared at least quarterly by an independent Certified Public Accountant), and balance sheets (to be prepared at least annually by an independent Certified Public Accountant).

(3) The Franchisee will also submit to the Franchisor current financial statements and other reports as the Franchisor may reasonably request to evaluate or compile research and performance data on any operational aspect of the Restaurant Brokerage Business. On or before April 15 of each year, the Franchisee will provide the Franchisor with a copy of its federal tax return for the previous tax year.

(4) The records required under this ITEM 7 pertain only to the Franchisee's operation of the Restaurant Brokerage Business. The Franchisor has no right to inspect, audit or copy the records of any of Franchisee's unrelated business or personal activities. The Franchisee will keep the books and records of the Restaurant Brokerage Business separate from the records of any unrelated business or personal activity.

(5) From the date the Franchisee and the Franchisor sign this Agreement until three (3) years after the end of the expiration or termination of this Agreement, the Franchisor or Franchisor's authorized agent will have the right to request, receive, inspect and audit any of the records referred to above wherever they may be located. The Franchisor agrees to conduct its inspections and audits at reasonable times. The Franchisee agrees to keep all records and reports for six (6) years from the date these records are created. Should any inspection or audit disclose a deficiency in the payment of any Royalty Fee, FMAF funds or other amounts required to be paid under this Agreement, the Franchisee will immediately pay the deficiency to the Franchisor, without the need for further action or notice on the part of Franchisor and without prejudice to any other remedy of the Franchisor under this Agreement or otherwise. In addition, if the deficiency for any audit period discloses a deficiency in the amount of any Royalty Fee, FMAF funds or other amounts due by two percent (2%) or more, the Franchisee will also immediately pay to the

Franchisor the entire cost of the inspection or audit including travel, lodging, meals, salaries and other expenses of the inspecting or auditing personnel. For the purposes of this Section (5), an audit period will be each fiscal year. Should the audit disclose an overpayment of any Royalty Fees, FMAF funds, or other amounts due, the Franchisor will credit the amount of the overpayment to the Franchisee's payments of Royalty Fees and FMAF funds next falling due.

(6) If the Franchisee's records and procedures are insufficient to permit a proper determination of Gross Revenues, the Franchisor will have the right to either require Franchisee to deliver to the Franchisor an estimate, prepared by the Franchisor, of Gross Revenues for the period under consideration and the Franchisee will immediately pay to the Franchisor any amount shown thereby to be owing on account of the Royalty Fee, FMAF funds and other sums due on account of any understatement. Any estimate is final and binding upon the Franchisee.

(7) To encourage prompt payment and to cover the costs and expenses involved in handling and processing late payments, the Franchisee will also pay, upon demand, a late charge equal to ten percent (10%) of the amount of the late payment plus interest of one and one-half percent (1.5%) per month on the late amount on all payments due to the Franchisor during the period of time said payments are due and unpaid. Each failure to pay Royalty Fees, FMAF funds, or any other amount payable when due to the Franchisor constitutes a material breach under this Agreement. Franchisee acknowledges that this Section (7) does not constitute an agreement by Franchisor to accept these payments after the same are due or a commitment by Franchisor to extend credit to or otherwise finance Franchisee's operation of the Restaurant Brokerage Business. Further, Franchisee acknowledges that failure to pay all such amounts when due will, notwithstanding the provisions of this Section (7), constitute grounds for termination of this Agreement.

(8) Any report of the Franchisor's auditor rendered periodically pursuant to Section 7(5) above is final and binding upon all of the parties.

(9) The Franchisee hereby authorizes the Franchisor to make reasonable inquiries of the Franchisee's bank, suppliers and trade creditors concerning the Restaurant Brokerage Business and hereby directs those persons and companies to provide to the Franchisor this information and copies of documents pertaining to the Restaurant Brokerage Business as the Franchisor may request.

(10) The Franchisee acknowledges and agrees that the Franchisor owns all Restaurant Brokerage Business records ("**Business Records**") with respect to customers and other service professionals of, and/or related to, the Restaurant Brokerage Business including, without limitation, all databases (whether in print, electronic or other form), including all names, addresses, telephone numbers, e-mail addresses, customer purchase and sale records, and all other records contained in the database, and all other Business Records created and maintained by Franchisee. Franchisee further acknowledges and agrees that, at all times during and after the termination, expiration or cancellation of this Agreement, Franchisor may access these Business Records, and may utilize, transfer, or analyze these Business Records as Franchisor determines to be in the best interest of the System, in Franchisor's sole discretion.

(11) If the Franchisee pays the Royalty Fee or any other sums due to Franchisor under this Agreement with a check returned for non-sufficient funds more than one time in any calendar year, in addition to all other remedies which may be available, the Franchisor will have the right to require that Royalty Fee payments and any other sums due to Franchisor under this Agreement be made by certified or cashier's checks. If the Franchisee fails to pay the Royalty Fee or any other sums due to Franchisor under this Agreement by the due date two (2) times during the Initial Term or any Interim Period, in addition to all other remedies which may be available, the Franchisor reserves the right to require, in its sole discretion, that the Franchisee pay the Royalty Fee or any other sums due to Franchisor under this Agreement on a weekly basis.

(12) The Franchisee agrees that, during the Initial Term and for the three (3) years after the expiration or termination of this Agreement, the Franchisee will supply to the Franchisor the Franchisee's home (or business location, if other than the Franchisee's home) address and telephone number.

ITEM 8 - SERVICES AND ASSISTANCE

(1) The Initial Franchise Fee or Conversion Fee and Royalty Fee are paid for the License, which includes the use of the Marks, the System and the use of the Franchisor's Trade Secrets and Confidential Information provided pursuant to this Agreement and for certain services rendered by the Franchisor.

(2) The Franchisor will offer the Franchisee initial and continuing services, as the Franchisor deems necessary or advisable in furthering the Franchisee's Restaurant Brokerage Business and the business of the System as a whole and in connection with protecting the Marks and goodwill of the Franchisor. Failure by the Franchisor to provide any particular service, either initial or continuing, will not excuse the Franchisee from any of its obligations under this Agreement.

(3) Currently, prior to Franchisee's opening of the Restaurant Brokerage Business, Franchisor will:

1. Agree upon the Franchisee's Territory, which will be set forth in Attachment A;
2. Approve Franchisee's proposed Office. Franchisee acknowledges and agrees that Franchisor's approval of an Office in no way constitutes a warranty by Franchisor that the Office will achieve any particular level of sales or profits or that the Office satisfies any or all federal, state or local laws, ordinances or regulations for the operation of Franchisee's Restaurant Brokerage Business;
3. Within sixty (60) days after the execution of this Agreement and Franchisee's receipt of all required licenses and permits to operate the Office, and after Franchisee has completed the Pre-Training Work required by Section 9(2)1 to Franchisor's satisfaction, provide the Franchisee, or if the Franchisee is an entity, a person designated to manage the Restaurant Brokerage Business ("Designated Business Manager") and up to

two (2) additional persons without extra charge with an initial training program. In addition, there is approximately ten (10) additional days of training provided through an online learning platform. The initial training program (“Initial Training Program”) is for five (5) business days at the Franchisor's facilities in Palm Coast, Florida (or other location designated by the Franchisor). The Initial Training Program may include a discussion of the System, techniques, procedures, methods of operation, advertising, sales techniques, promotional ideas, marketing plans, customer relations, instructions on quality standards and practical experience in the operation of the Restaurant Brokerage Business; and

4. Loan the Franchisee, during the Initial Term (including any Interim Period), one (1) copy of the Franchisor's confidential Operations Manual containing mandatory and suggested specifications, standards, operating procedures and rules prescribed periodically by the Franchisor as further stipulated in this ITEM 8 and containing information relative to other obligations of the Franchisee hereunder. Specifications, standards and operating procedures prescribed periodically by the Franchisor in the Operations Manual or otherwise communicated to the Franchisee in writing constitutes provisions of this Agreement as if fully set forth herein. The Franchisee will operate the Restaurant Brokerage Business strictly in accordance with the Operations Manual. Failure to comply with the standards set forth in the Operations Manual constitutes a material breach of this Agreement. The Franchisor reserves the right to provide the Operations Manual and updates to the Operations Manual in electronic form or other form determined by the Franchisor. The Franchisor will have the right to add to, and otherwise modify, the Operations Manual periodically to reflect changes in authorized Services, business image or the operation of the Restaurant Brokerage Business; provided, however, none of these additions or modifications will alter the Franchisee's fundamental status and rights under this Agreement. Some of the revisions to the Operations Manual may include changes with respect to: (i) sales and marketing strategies; (ii) equipment and supplies; (iii) accounting and reporting systems and forms; (iv) insurance requirements; (v) operating procedures; and (vi) Services. The Franchisee agrees to accept, implement and adopt any of these modifications at its own cost. The Franchisee will keep its printed copy of the Operations Manual updated with replacement pages and insertions, as instructed by the Franchisor. The Franchisee acknowledges that the Operations Manual is loaned to the Franchisee and will always remain the sole and exclusive property of the Franchisor. Upon termination of this Agreement, for any reason whatsoever, the Franchisee will promptly return the Operations Manual together with all copies of any portion of the Operations Manual which the Franchisee may have made, to the Franchisor.

(4) Currently, after Franchisee opens the Restaurant Brokerage Business, Franchisor will:

1. Provide Franchisee with three (3) to five (5) days of additional training in Franchisee's Territory regarding the operation of the Franchise Brokerage Business;

2. Make a representative reasonably available to speak with the Franchisee on the telephone during normal business hours, as Franchisor determines is necessary, to discuss the Franchisee's operational issues and support needs; provided, however, that

questions regarding technological support may be referred to third parties (including but not limited to Affiliates of Franchisor) who may charge a fee for providing Franchisee with these technological support services;

3. In its sole discretion, hold periodic conferences to discuss sales techniques, new service developments, bookkeeping, training, accounting, performance standards, advertising programs, marketing procedures and other topics. These conferences may be held at the Franchisor's Palm Coast, Florida headquarters, the Franchisee's Office or at a location chosen by the Franchisor, as determined by the Franchisor. Franchisee will be required to pay any conference fee charged by Franchisor and must pay all its travel and living expenses to attend;

4. In its sole discretion, hold a mandatory annual conference to discuss sales techniques, new service developments, training, bookkeeping, accounting, performance standards, advertising programs, marketing procedures and other topics. Franchisee must pay any conference fees charged by Franchisor, and all personal travel and living expenses. These mandatory annual conferences are held at the Franchisor's Palm Coast, Florida headquarters or at a location chosen by the Franchisor;

5. Post listings of Restaurants for sale on Franchisor's national website and in other databases as determined by Franchisor;

6. Provide search engine optimization for Franchisor's website and other internet marketing support to Franchisee;

7. Provide reports from time to time on business trends and business forecasts;

8. Assist Franchisee on social and traditional marketing campaigns, as determined by Franchisor;

9. Assist Franchisee in drafting marketing documents, press releases, form marketing materials and marketing strategy, as determined by Franchisor;

10. Inform Franchisee of mandatory specifications, standards and procedures for the operations of the Restaurant Brokerage Business;

11. Research new Services and methods of doing business, periodically, and provide Franchisee with information concerning developments of this research;

12. Provide advertising materials to Franchisee as Franchisor deems necessary in Franchisor's sole discretion; and

13. A representative of Franchisor may, in Franchisor's sole discretion, provide additional assistance. There may be additional charges for this additional assistance. If Franchisor provides additional assistance, the Franchisor and Franchisee must agree in advance on the charges for the visit and the length of the visit.

(5) If Franchisee believes Franchisor has failed to adequately provide pre-opening services to Franchisee as provided in Section 8(3) above, Franchisee will notify Franchisor in writing within thirty (30) days following the opening of the Restaurant Brokerage Business. Absent the timely delivery of this notice to Franchisor, Franchisee is deemed to conclusively acknowledge that all pre-opening and opening services required to be provided by Franchisor were sufficient, timely, and satisfactory to Franchisee.

(6) Franchisor is not obligated to perform services set forth in this Agreement to Franchisee's particular level of satisfaction, but as a function of Franchisor's experience, knowledge and judgment. Franchisor does not represent or warrant that any other services will be provided to Franchisee, other than as set forth in this Agreement. If any other services, or any specific level or quality of service is expected, Franchisee must obtain a commitment to provide this service or level of service in writing signed by an authorized officer of Franchisor, otherwise Franchisor will not be obligated to provide any other services or specific level or quality of services.

ITEM 9 - FRANCHISEE'S DUTIES, OBLIGATIONS AND OPERATING STANDARDS

(1) The Franchisee will, consistent with the terms of this Agreement, diligently develop and operate the Restaurant Brokerage Business and use its best efforts to market and promote the Services and Products. Such efforts shall specifically include, without limitation, joining sales leads and networking groups, placing networking telephone calls to local restaurants, conducting direct mail and electronic marketing campaigns, and conducting a launch marketing campaign within the first sixty (60) days of operation, all as proscribed by Franchisor.

(2) Subject to the terms of this Agreement, during the Initial Term and any Interim Period, the Franchisee will strictly comply with all present and future standards, specifications, processes, procedures, requirements, and instructions of the Franchisor regarding the operation of the Restaurant Brokerage Business and must comply with the following requirements:

1. Before opening the Restaurant Brokerage Business, the Franchisee or the Franchisee's Designated Business Manager must attend and successfully complete Franchisor's Initial Training Program. Franchisee is responsible for travel, meals, personal expenses and living expenses incurred by itself, the Designated Business Managers, and additional persons that participate in the initial training program. Prior to attending the initial training program at Franchisor's facilities in Palm Coast, Florida, Franchisee, or anyone designated by Franchisee to attend the Initial Training Program, shall complete, to Franchisor's satisfaction, one week of computer-based training and pre-training work ("**Pre-Training Work**") as prescribed by Franchisor in the Operations Manual. Franchisee's or such attendees' failure to complete such Pre-Training Work to Franchisor's satisfaction shall entitle Franchisor to require Franchisee or its designated attendees to leave the Initial Training Program and to return, at Franchisee's sole cost and expense, to Palm Coast, Florida, or another location designated by Franchisor, for a subsequent Initial Training Program.

2. Unless otherwise specified by Franchisor in writing, upon the opening the Restaurant Brokerage Business, the Franchisee must complete the renovations to the Office necessary to comply with Franchisor's standards and specifications; comply with Franchisor's opening procedures for the Office, as set forth in the Operations Manual; and, obtain Franchisor's written approval that Franchisee has complied with the foregoing requirements.

3. The Franchisee or a Designated Business Manager must attend mandatory annual conferences at locations the Franchisor may reasonably designate, and the Franchisee will pay all salary and other expenses of persons attending, including any conference fees, travel expenses, meals, living expenses and personal expenses.

4. Any additional required Service introduced into the System by the Franchisor must be offered for sale on a continuing basis at the Restaurant Brokerage Business at the time and in the manner required by the Franchisor. Franchisor will provide at least thirty (30) days' prior written notice of any new required Service introduced into the System. All equipment, products, supplies, and other items necessary to add the newly required Services must be acquired, installed, and utilized at the time and in the manner required by the Franchisor. The marketing of new Services must begin at the Restaurant Brokerage Business as reasonably required by the Franchisor.

5. No service, except approved Services, may be offered for sale within the Territory, unless the Franchisee receives the prior written consent of the Franchisor (which may be granted or denied in the Franchisor's sole discretion).

6. Only advertising and promotional materials, services, equipment, tools, inventory, products, signage, supplies, and uniforms that meet the Franchisor's standards and specifications is used at the Restaurant Brokerage Business. Advertising and promotional materials, services, equipment, inventory, products, signage, supplies and uniforms produced or approved by Franchisor for use by the Franchisee may be used only in the manner and during the period specified by the Franchisor.

7. Equipment, Services, inventory, supplies, signage, uniforms and other items must be added, eliminated, substituted and modified at the Restaurant Brokerage Business as soon as possible in accordance with changes in the Franchisor's specifications and requirements.

8. The Restaurant Brokerage Business and everything related to the Restaurant Brokerage Business must be maintained in good condition and must be kept clean, neat, and sanitary. All maintenance, repairs and replacements reasonably requested by the Franchisor or needed in connection with the Restaurant Brokerage Business must be promptly made. All employees must be clean and neat in appearance.

9. No alterations of the Restaurant Brokerage Business materially affecting the image of the Restaurant Brokerage Business may be made except at the Franchisor's

request or approval, and any alterations must strictly conform to specifications and requirements established or approved by the Franchisor.

10. The Restaurant Brokerage Business and the Services provided by Franchisee must comply with all applicable federal, state, and local laws, ordinances, rules, regulations and other requirements applicable to the brokerage of commercial business and the offering of Site Selection Services. The Franchisee must obtain all real estate, brokerage, and business licenses and permits required by federal, state and local laws, ordinances, rules and regulations before operating its Restaurant Brokerage Business. If the Franchisee does not obtain all required permits and licenses necessary to operate the Restaurant Brokerage Business within three (3) months after the mutual execution of the Franchise Agreement, Franchisor may terminate this Franchise Agreement.

11. The employees, Agents, equipment, supplies, products, and other items on hand at the Restaurant Brokerage Business, must be at all times sufficient to efficiently meet the anticipated volume of business.

12. The payment of all debts and taxes arising in connection with the Restaurant Brokerage Business, except those duly contested in a bona fide dispute, must be paid when due.

13. Franchisee will use its best efforts to ensure customer satisfaction; use good faith in all dealings with customers, other agents and brokers, potential customers, referral sources, suppliers and creditors; respond to customer complaints in a courteous, prompt and professional manner; use its best efforts to promptly and fairly resolve customer disputes in a mutually agreeable manner; and take any actions Franchisor deems necessary or appropriate to resolve customer disputes.

14. Franchisee will comply with all terms and pay all fees that may be due under a software license agreement for any software Franchisee is required to use in the operation of its Restaurant Brokerage Business as prescribed by the Franchisor.

15. Franchisee shall also pay to Franchisor, at the same time and in the same manner that Franchisee pays Royalties, a basic monthly website support fee (“**Website Support Fee**”) of Seven Hundred Fifty Dollars (\$750.00), or such other amount as Franchisor determines in Franchisor's sole discretion, for purposes of defraying the cost of providing website and technology support to Franchisee. This basic monthly Website Support Fee covers Franchisee and one (1) additional agent. Franchisee shall pay Franchisor's then-current fee for additional agents. Franchisor shall be entitled to use the Website Support Fee in any way it determines necessary or desirable in supporting and developing Franchisor's website and any other technology used in the System. Franchisee shall also pay Franchisor's then-current fee for any enhancement to the Website. The Website Support Fee is non-refundable for any reason once paid.

16. Franchisee will pay any training fee required by Franchisor in order to train Franchisee's Agents in the proper operation of the Restaurant Brokerage Business.

17. Franchisee will comply with the advertising requirements set out in ITEM 12.

18. Franchisee will not use any materials that are false or misleading.

19. Franchisee will ensure that all advertising and other materials associated with the Services fully conform to all applicable laws and regulations.

20. Franchisee will conduct its business operations in accordance with all applicable laws and regulations, including but not limited to, business and real estate brokerage and sales laws and regulations, and consumer protection laws and regulations. Franchisee will control the quality of the Services to avoid quality problems or liability claims that could reflect adversely on Franchisee or Franchisor in the minds of consumers.

21. The Franchise will maintain and require its Agents and employees to maintain a high ethical standard in the conduct of the Franchisee's Restaurant Brokerage Business, and Franchisee will join and remain a member in good standing of any local board of business brokers within the Territory and any applicable national association of business brokers. In addition, Franchisee must enter into written agreements with all of its Agents that include a fee structure which entitles Franchisee to collect monthly fees, transaction fees, and other fees on all of the Agents' transactions. The fee structure and any changes or modifications to the fee structure must be approved by Franchisor prior to being implemented by Franchisee.

22. The Franchisee recognizes and acknowledges the importance of referrals between franchisees of Franchisor and agrees, if lawful and when reasonable and appropriate, to refer requests for Restaurant Brokerage Services and Site Selection Services to franchisees of Franchisor operating in territories in which Franchisee does not operate a Restaurant Brokerage Business or provide Services.

23. Franchisee will provide each of its Agents with the supervision as a reasonable business broker would provide its agents in the proper conduct of its business as a business broker. Franchisee shall conduct background checks on all of its brokers and provide such information to Franchisor upon request.

(3) In prescribing standards, specifications, processes, procedures, requirements or instructions under Section 9(2) above or any other provision of this Agreement, the Franchisor will provide guidance to the Franchisee, as required in Franchisor's sole determination, including but not limited to, determining the minimum fees to be charged by the Franchisee for Services. Franchisor will not have control over the day-to-day managerial operations of the Restaurant Brokerage Business, and the Franchisee is free to establish its own fees in excess of the minimum and other charges for Services. Notwithstanding Franchisor's right to require Franchisee to conduct its business in accordance with the System, Franchisee and Franchisor recognize that the sale and brokerage of commercial businesses is a profession requiring independent judgment, skill and training and is governed in many particulars by state and federal authorities. Any inconsistency between the System or Franchisor's advice and the dictates of good business brokerage practice,

or any legal requirement of that practice, is inadvertent and not an effort to cause Franchisee to deviate from proper practices. Therefore, Franchisee and Franchisor understand and agree that (i) in all cases, lawful, regulatory requirements take precedence over both any inconsistent advice, counsel or other guidance, whether written or oral, given by Franchisor on any topic and anything inconsistent in the System; (ii) no business advice given by Franchisor nor any part of the System is taken as advice in respect of the practice of the profession of commercial business sales and brokerage, as defined by law; (iii) Franchisee's judgment, or the judgment of Franchisee's Designated Restaurant Brokerage Business Managers, governs in all matters pertaining to each and every aspect of the professional practice of commercial business sales and brokerage; (iv) in any case in which Franchisee believes Franchisor's advice or the System contravene the practice of the profession of commercial business sales and brokerage or any legal requirements of that practice, Franchisee will notify Franchisor, orally and in writing, immediately; and (v) Franchisee and Franchisee's Designated Business Managers are solely responsible for the operation of the Restaurant Brokerage Business and the results of that operation.

(4) Franchisor and Franchisor's representatives will have the right during Business hours to inspect the Restaurant Brokerage Business and all Offices. Franchisor and Franchisor's representatives will have the right to observe the manner in which Franchisee is rendering its Services and conducting its operations of the Restaurant Brokerage Business. Franchisor and Franchisor's representatives will have the right to discuss with Franchisee or other personnel Franchisee may designate all matters that may pertain to compliance with this Agreement and with the Franchisor's standards, specifications, requirements, instructions and procedures. Franchisor and Franchisor's representatives will have the right to have any of the Franchisor's required Services rendered by any employee at the Restaurant Brokerage Business. The Franchisee will in all respects cooperate with the Franchisor's rights under this Section (4); provided, however, that the Franchisor's exercise of these rights will not unreasonably interfere with the Franchisee's conduct of the Restaurant Brokerage Business.

(5) Franchisor may require the Franchisee's compliance with the provisions of this ITEM 9 even if it does not require this compliance by all franchisees.

(6) If the Franchisee is an individual, the Franchisee must directly supervise the Restaurant Brokerage Business. If the Franchisee is a corporation or other Restaurant Brokerage Business entity, or if the Franchisee has, in the Franchisor's sole judgment, insufficient experience in a business similar to the franchise or experience in business management in general, then the Franchisee will nominate a Designated Business Manager having required experience who will have direct responsibility for all operations of an Office. Any change in a Designated Business Manager will be subject to Franchisor's approval, in the Franchisor's sole discretion.

(7) The Franchisee and its Agents must become members of local, state and national business brokerage boards, associations or organizations which in the reasonable opinion of the Franchisor are useful in the operation of the Restaurant Brokerage Business. The Franchisee will have the option to become a member of all benefit programs which are offered periodically by the Franchisor to all of its Franchisees. The costs of participating in these boards, associations and benefit programs shall be borne by the Franchisee and its employees (if applicable to the

employees). Nothing in this Section 9(7) limits the Franchisee's freedom to join any franchise or franchisee's association of its choosing.

(8) Franchisee will at all times have sufficient computer skills to operate Franchisee's computer, understand how to utilize any software Franchisor requires to be used in the Restaurant Brokerage Business, and to access email and the Internet. If Franchisor determines that Franchisee requires additional computer training, Franchisor will notify Franchisee in writing regarding the nature of the additional training required, and Franchisee will have ninety (90) days to complete this training at a local computer training school at Franchisee's sole cost and expense. Franchisor reserves the right to designate the computer training school at which Franchisee must attend (which may be an Affiliate). At the end of the training program, Franchisee will present a certificate reasonably acceptable to Franchisor establishing that Franchisee passed the training course. Franchisee's failure to seek additional training or to pass the course constitutes a default of this Agreement.

(9) Franchisee acknowledges and understands that computer systems are vulnerable to computer viruses, bugs, power disruptions, communication line disruptions, Internet access failures, Internet content failures, date-related problems, and attacks by hackers and other unauthorized intruders. Franchisor does not guarantee that information or communication systems supplied by Franchisor or its suppliers will not be vulnerable to these problems. Franchisee acknowledges and agrees that Franchisee is solely responsible for protecting itself from these problems. Franchisee must also take reasonable steps to verify that Franchisee's suppliers, lenders, landlords, customers, and governmental agencies on which Franchisee relies, are reasonably protected. This may include taking reasonable steps to secure Franchisee's systems, including, firewalls, access code protection, anti-virus systems, and use of backup systems.

(10) Franchisee will acquire, maintain, and upgrade hardware, software, information processing and communication systems, and Internet and other network access providers, as prescribed in the Operations Manual and as modified periodically by Franchisor in Franchisor's sole discretion. Franchisee will comply with any separate software or other license agreements that Franchisor or its designees use or require in connection with the System. Franchisee will utilize Franchisor's required software, proprietary database management, equipment, and intranet system as the exclusive means for tracking and maintaining customer, vendor, and lead information, and for other uses as prescribed by Franchisor periodically in the Operations Manual, in Franchisor's sole discretion. Monthly sales and royalty reporting may occur through mandatory software including the automatic draft via electronic transfer of Royalty Fees and FMAF funds.

(11) Franchisee will at all times maintain an active email account and will check the account at least once each day. If available, Franchisee will maintain an email account on Franchisor's proprietary database management and intranet system and Franchisee may only use such email account for correspondence directly related to the Restaurant Brokerage Business.

(12) Franchisee may not open the Restaurant Brokerage Business until: (1) Franchisor notifies Franchisee in writing that all of Franchisee's obligations have been fulfilled; (2) all components of the initial training program has been completed to Franchisor's satisfaction; (3) the Office has been renovated in accordance with Franchisor's standards and specifications; (4) all

amounts due to Franchisor have been paid; (5) Franchisor has been furnished with copies of all insurance policies and certificates required by this Agreement, or other documentation of insurance coverage and payment of premiums that Franchisor may request; (6) Franchisee notifies Franchisor that all approvals and conditions set forth in this Agreement have been met; (7) Franchisee has obtained all necessary business brokerage licenses and permits and other applicable permits and licenses; (8) Franchisee has provided Franchisor with a fully signed copy of the Lease for the Office; (9) Franchisee has provided satisfactory evidence to Franchisor that all of Franchisee's Agents are licensed to sell Restaurants in the Territory; and (10) Franchisee has ordered, received and installed all equipment, supplies, inventory, tools, products, uniforms and computer hardware and software required by Franchisor. Franchisee will begin operating the Restaurant Brokerage Business immediately after Franchisor determines that the Restaurant Brokerage Business is ready for opening.

ITEM 10 - PURCHASE OF EQUIPMENT, INVENTORY AND SUPPLIES

(1) The Franchisee must purchase all services, equipment, supplies and hardware and software from only those suppliers, manufacturers and distributors who have been designated or approved in advance by Franchisor. The standards and specifications for equipment, computer hardware and software, tools, vehicles, signage, supplies, and services required by the Franchisor are maintained in the Operations Manual. The Franchisor has the right to require Franchisee to discontinue purchasing any services, equipment, supplies, hardware or software from an approved or designated supplier, manufacturer or distributor and may designate new suppliers, manufacturers or distributors at any time in its sole discretion.

(2) The Franchisee acknowledges and agrees that the Franchisor may receive from approved and designated suppliers of the Franchisee's Services, equipment, tools, supplies and hardware and software, periodic volume rebates or other revenue as a result of the Franchisee's purchases. The Franchisee further acknowledges and agrees that the Franchisor is entitled to keep for its own use and account these rebates and this revenue.

(3) The names and addresses of the Franchisor's approved and designated suppliers, manufacturers and distributors are maintained in the Operations Manual. Franchisor reserves the right to approve all of the supplies, Services, equipment, hardware and software used in connection with the Franchisee's Restaurant Brokerage Business.

(4) The Franchisee acknowledges and agrees that certain approved or designated suppliers, distributors, and service providers may be Affiliates.

ITEM 11 - MARKS, COPYRIGHTED WORKS AND OWNERSHIP OF IMPROVEMENTS

(1) Franchisee acknowledges and agrees that:

1. Franchisor and its Parent are the sole and exclusive owners of all right, title and interest, together with all the goodwill, of the Marks. Franchisee further acknowledges that the Marks designate the origin or sponsorship of the System, the Restaurant Brokerage

Business, and the Services, and that Franchisor desires to protect the goodwill of the Marks and to preserve and enhance the value of the Marks. In the event that Franchisee acquires any rights, title or interest in the Marks, Franchisee agrees to assign and hereby assigns all rights, title or interest to Franchisor.

2. All right, title and interest in and to all materials, including but not limited to, all artwork and designs, created by Franchisor, and used with the Marks or in association with the Restaurant Brokerage Business (“**Copyrighted Materials**”) are the sole and exclusive property of the Franchisor. Additionally, all Copyrighted Materials created by Franchisee or any other person or entity retained or employed by Franchisee are works made for hire within the meaning of the United States Copyright Act and are the sole and exclusive property of the Franchisor, who is entitled to use and license others to use the Copyrighted Materials unencumbered by moral rights. If the Copyrighted Materials are not works made for hire or rights in the Copyrighted Materials do not automatically accrue to the Franchisor, Franchisee irrevocably assigns and agrees to assign to the Franchisor, its successors and assigns, the entire right, title, and interest in perpetuity throughout the world in and to any and all rights, including all copyrights and related rights, in these Copyrighted Materials, which the Franchisee and the author of these Copyrighted Materials warrant and represent as being created by and wholly original with the author. Where applicable, Franchisee agrees to obtain any other assignments of rights in the Copyrighted Materials from another person or entity necessary to ensure Franchisor's right in the Copyrighted Materials as required in this Section 11(1)2.

3. Franchisee will never dispute, contest, or challenge, directly or indirectly, the validity or enforceability of the Marks or Copyrighted Materials or Franchisor's ownership of the Marks or Copyrighted Materials, nor counsel, procure, or assist anyone else to do the same, nor will it take any action that is inconsistent with Franchisor's ownership of the Marks or Copyrighted Materials, nor will it represent that it has any right, title, or interest in the Marks or Copyrighted Materials other than those expressly granted by this Agreement.

4. Franchisor may decide, in its sole and absolute discretion, to apply to register or to register any trademarks or copyrights with respect to the Services, Products and any other products and services and the Copyrighted Materials. Failure of Franchisor to obtain or maintain in effect any of these applications or registrations is not a breach of this Agreement. Franchisee will not, before or after termination or expiration of the Agreement, register or apply to register any of the Marks or any trademark, service mark or logo confusingly similar or any Copyrighted Materials, anywhere in the world.

5. Upon Franchisor's request, Franchisee will cooperate fully, both before and after termination or expiration of this Agreement, in confirming, perfecting, preserving, and enforcing Franchisor's rights in the Marks and Copyrighted Materials, including but not limited to, executing and delivering to Franchisor documents Franchisor reasonably requests for any purpose, including but not limited to, assignments, powers of attorney, and copies of commercial documents showing sale and advertising of the Services and Products

and other products and services. Franchisee hereby irrevocably appoints Franchisor as its attorney-in-fact for the purpose of executing these documents.

6. All usage of the Marks by Franchisee and any goodwill established by Franchisee's use of the Marks will inure to the exclusive benefit of Franchisor. This Agreement does not confer any goodwill or other interests in the Marks to the Franchisee upon expiration or termination of the Agreement.

7. **FRANCHISOR MAKES NO REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, AS TO THE USE, EXCLUSIVE OWNERSHIP, VALIDITY OR ENFORCEABILITY OF THE MARKS OR COPYRIGHTED MATERIALS.**

(2) Franchisee acknowledges and agrees that:

1. Franchisee's right to use the Marks and Copyrighted Materials are derived solely from this Agreement. Franchisee may only use the Marks and Copyrighted Materials in its operation of the Restaurant Brokerage Business and only in compliance with this Agreement and all applicable standards, specifications, and operating procedures prescribed by Franchisor in the Operations Manual and elsewhere periodically during the Initial Term and any Interim Period. Franchisee will make every effort consistent to protect, maintain, and promote the Marks as identifying the System and only the System.

2. Any unauthorized use of the Marks or Copyrighted Materials by Franchisee constitutes a breach of this Agreement and an infringement of the rights of Franchisor and in and to the Marks and Copyrighted Materials.

3. Franchisee will not use any Marks or portion of any Marks as part of a corporate or trade name, or with any prefix, suffix or other modifying words, terms, designs or symbols, or in any modified form. Franchisee will obtain any fictitious or assumed name registrations as may be required by Franchisor or under applicable law.

4. To preserve the validity and integrity of the Marks and Copyrighted Materials licensed herein and to assure that Franchisee is properly employing the same in the operation of its Restaurant Brokerage Business, Franchisor or its agents will have the right of entry and inspection of Franchisee's Restaurant Brokerage Business and operating procedures.

5. Franchisee will safeguard and maintain the reputation and prestige of the System, Marks and Copyrighted Materials and will not do anything that would tarnish the image of or adversely affect the value, reputation or goodwill associated with the Marks. Franchisee will not do anything that would dilute, directly or indirectly, the value of the goodwill attached to the Marks, nor counsel, procure or assist anyone else to do the same.

6. Franchisee will use the Marks and Copyrighted Materials only in lettering, logos, print styles, forms, and formats, including but not limited to, advertising and promotional materials, invoices, signage, business checks, business cards, invoices,

stationery, and promotional items such as clothing, pens, mugs, etc., which have been approved by Franchisor in accordance with this Agreement, and promptly follow instructions regarding the Marks and Copyrighted Materials as provided in the Operations Manual and otherwise given by Franchisor periodically.

7. Franchisee will use the following copyright notice at least once on each piece of advertising, promotional, or other material used in connection with the Products and Services: © (year of first publication). WSR Franchise, LLC. All Rights Reserved.

8. Franchisee will use the Marks with a superscript “®” or “™”, as specified by Franchisor, unless and until advised by Franchisor to use a different notice.

(3) Franchisee acknowledges and agrees that:

1. If, in Franchisor's reasonable determination, the use of Marks or Copyrighted Materials in connection with the Services, other products and services or the Restaurant Brokerage Business will infringe or potentially infringe upon the rights of any third party, weakens or impairs Franchisor's rights in the Marks or Copyrighted Materials, or it otherwise becomes advisable at any time in Franchisor's sole discretion for Franchisor to modify or discontinue of the Marks or Copyrighted Materials then, upon notice from Franchisor, Franchisee will immediately terminate or modify this use in the manner prescribed by Franchisor. Franchisor may require Franchisee to use one (1) or more additional or substitute trade names, trademarks, service marks or other commercial symbols or copyrighted materials. Franchisee will have no rights of damages, offset, or right to terminate this Agreement as a result thereof and Franchisor will have no liability or obligation whatsoever with respect to Franchisee's modification or discontinuance of any Marks or Copyrighted Materials.

2. Franchisee will notify Franchisor within three (3) days after receiving notice of any claim, demand or cause of action based upon or arising from any attempt by any other person, firm or corporation to use the Marks or any colorable imitation thereof or the Copyrighted Materials. Upon receipt of timely notice of an action, claim or demand against Franchisee relating to the Marks or Copyrighted Materials, Franchisor will have the sole right, but not the duty, to defend any action. Franchisor will have the exclusive right to contest or bring action against any third party regarding the third party's use of any of the Marks or Copyrighted Materials and will exercise this right in the sole discretion of Franchisor. Franchisor will control all actions but not be obligated to take any action. In any defense or prosecution of any litigation relating to the Marks, Copyrighted Materials or components of the System undertaken by Franchisor, Franchisee will cooperate with Franchisor, execute any and all documents, and take all actions as may be desirable or necessary in the opinion of Franchisor's counsel, to carry out this defense or prosecution. At Franchisor's option, Franchisee will join in any action. If Franchisee joins in an action, then the recovery, if any, from this legal action is first applied to the total expenses associated therewith and the remainder going to the Franchisor.

(4) All provisions of this Agreement applicable to the Marks and Copyrighted Materials apply to any and all additional trademarks, service marks, commercial symbols and copyrighted materials authorized for use by and licensed to Franchisee by Franchisor after the date of this Agreement.

(5) If Franchisee during the Initial Term of the franchise relationship or any Interim Period conceives or develops any improvements or additions to the System, Copyrighted Materials, website or any other documents or information pertaining to or relating to the System or the Restaurant Brokerage Business, or any new trade names, trade and service marks, logos, or commercial symbols related to the Restaurant Brokerage Business or any advertising and promotional ideas or inventions related to the Restaurant Brokerage Business (collectively, the “**Improvements**”) Franchisee will fully disclose the Improvements to Franchisor, without disclosure of the Improvements to others, and will obtain Franchisor's written approval before using these Improvements. Any of these Improvements may be used by Franchisor and all other franchisees without any obligation to Franchisee for royalties or other fees. Franchisee will assign and does hereby assign to Franchisor, all right, title and interest in and to the Improvements, including the right to grant sublicenses to any of these Improvements. Franchisor, at its discretion, may make application for and own copyrights, patents, trade names, trademarks and service marks relating to any of these Improvements and Franchisee will cooperate with Franchisor in securing these rights. Franchisor may also consider these Improvements as the property and Trade Secrets of Franchisor. In return, Franchisor may authorize Franchisee to utilize any Improvement that may be developed by other franchisees and is authorized generally for use by other franchisees.

(6) Neither Franchisee nor its Designated Business Managers or Agents will attempt to register a top-level or second level Domain Name that contains any portion of the Marks without the prior written approval of Franchisor and subject to any conditions Franchisor may request in its sole discretion.

ITEM 12 - ADVERTISING AND PROMOTION

(1) Within thirty (30) days of opening the Restaurant Brokerage Business, Franchisee shall pay to Vendor Two Thousand Five Hundred Dollars (\$2,500) for an Initial Direct Mail Market Opening Campaign. Vendor shall use the funds for a direct mail campaign in order to introduce Franchisee's services to Restaurant operators and other referral sources in Franchisee's Territory.

(2) Marketing Fees and Materials.

1. When the Franchise Marketing Accrual Fund (“**FMAF**”) is established, Franchisee agrees to pay Franchisor continuing marketing fees equal to the greater of One Hundred Fifty Dollars (\$150) per month or two percent (2%) of Gross Revenues at the time and in the manner prescribed in Section 6(3). The funds will be posted to the FMAF. The FMAF is accounted for separately by Franchisor, but the FMAF funds will not be maintained in a separate or segregated account at a bank or other financial institution.

2. Franchisor will use the FMAF fees it collects from franchisees (i) to create marketing materials relating to the System, (ii) to pay for public relations projects intended to enhance the goodwill and public image of the System, (iii) to assist franchisees in developing local marketing programs in their respective Territories; (iv) to pay for the cost of placing marketing materials in various print, broadcast and Internet media; (v) to undertake any other marketing efforts as Franchisor deems necessary or beneficial to the System, in Franchisor's sole discretion; and (vi) to reimburse Franchisor (based on reasonable allocations calculated by Franchisor's management) for (a) salaries and other overhead expenses that are directly related to projects of a character described in clauses (i), (ii), (iii) and (iv), including the payment of a salary to a field marketing manager, and (b) for part of the cost of maintaining Franchisor's website, as authorized in Section (5). Franchisor will use the FMAF in a manner that is reasonably designed to provide some level of marketing benefits to all Franchisees. However, Franchisor reserves the right to allocate the FMAF funds to various permitted uses as it sees fit and does not guarantee that all Franchisees will receive equal benefits or identical coverage.

3. If the FMAF operates at a deficit or requires additional funds at any time, Franchisor may loan funds to the FMAF in amounts and on the terms, including repayment terms, Franchisor deems necessary or advisable in Franchisor's sole discretion.

4. Franchisor will furnish Franchisee upon request one slick, master or other "suitable for reproduction" sample of all newspaper inserts, direct mail flyers, television and radio commercials, and other marketing materials that Franchisor creates and approves for system-wide use. Franchisee must pay to reproduce and use these materials in Franchisee's local advertising campaigns.

5. Franchisor will use commercially reasonable efforts to spend FMAF contributions in a manner that provides advertising benefits to all participating Restaurant Brokerage Businesses. However, Franchisor does not guarantee that all participants will receive identical media exposure or advertising benefits in view of regional differences in media costs, varying degrees of market penetration in different DMAs, and other relevant factors.

(3) Local Advertising.

1. Franchisor has the right to require Franchisee to spend monies for local advertising and promotions in the Territory in accordance with local Restaurant Brokerage Business marketing guidelines set forth in the Operating Manual. Expenditures Franchisee incurs for any of the following will not qualify as local advertising for purposes of this Section, unless approved in advance by Franchisor in writing:

y. Salaries, expenses or benefits of any employees or Agents of Franchisee, including expenses for attendance at advertising meetings or activities and expenses incurred in recruiting employees;

z. In-office materials consisting of fixtures or equipment;

aa. Seminar and educational costs and expenses of Franchisee's employees and Agents; and

bb. Costs and expenditures Franchisee incurs as a result of placing advertisements for the sale or leasing of a specific Restaurant.

2. Franchisee will pay its pro rata share of the cost of print or electronic classified directory listings to be placed by Franchisor on behalf of all Restaurant Brokerage Businesses in the Franchisee's market. If Franchisee operates the only Restaurant Brokerage Business in the market, Franchisee is responsible for full payment of the classified directory advertisement.

3. Franchisee agrees to participate in all system-wide promotions and advertising campaigns that Franchisor creates. Except for Franchisee's commitments to participate in system-wide promotions and advertising campaigns and to pay its share of the cost of a classified directory advertisement, Franchisee will initially have discretion over the approach Franchisee takes to local advertising and promotions. This discretion will continue until an Area Cooperative is established in the Franchisee's Designated Market Area (“**DMA**”), as defined by Neilson Rating Service. Franchisor reserves the right to approve in advance the use by Franchisee of any graphic or electronic materials or commercials developed by Franchisee that feature any of the Marks.

4. Franchisee may at its sole expense plan and carry out a grand opening promotion relating to the opening of the Restaurant Brokerage Business.

5. All advertising and promotion by Franchisee is conducted in a dignified manner and will conform to the standards and requirements set forth in the Operations Manual or otherwise.

Franchisee will obtain Franchisor's prior approval of all advertising and promotional plans and materials before their use if the plans and materials were not prepared by Franchisor or previously approved by Franchisor during the twelve (12) months before their proposed use. Franchisee will submit any unapproved plans and materials to Franchisor, and Franchisor will approve or disapprove these plans and materials within fourteen (14) days of Franchisor's receipt. If Franchisor has not responded to Franchisee by the end of the fourteen (14) day approval period, the advertising material will be deemed disapproved. Franchisee will not use unapproved plans or materials until they have been approved by Franchisor and will promptly discontinue use of any advertising or promotional plans or materials, whether or not previously approved, upon notice from Franchisor.

6. Within thirty (30) days after the end of each fiscal year, Franchisee will submit a Local Area Marketing Report (“**LAM Report**”) to Franchisor on a form Franchisor provides. Each LAM Report will show the amount Franchisee spent for local advertising and promotions during the preceding year and the manner in which Franchisee

spent those funds. Upon Franchisor's request, Franchisee will also submit documents substantiating that Franchisee incurred and paid particular expenditures during the year.

(4) Area Cooperatives.

1. At the time the DMA in which the Restaurant Brokerage Business is located encompasses Restaurant Brokerage Businesses operated by at least two owners, the owners in the DMA will, at Franchisor's request and with its advice and assistance, form a cooperative advertising association among themselves (“**Area Cooperative**”) for the purpose of jointly advertising and promoting their Restaurant Brokerage Businesses.

2. If, in connection with an Area Cooperative's formation or functioning, its members are unable to reach agreement with respect to any disagreement over organization, administration, “spill” policy, contribution waivers or exceptions, budget or other matters that the members cannot resolve within 45 days, the issue will be referred to Franchisor for resolution. Franchisor's decision with respect to the issue's resolution will be binding on all members of the Area Cooperative. In addition, Franchisor reserves the right to review each Area Cooperative's contribution rate on an annual basis and to disapprove a rate of less than one percent (1%) of Gross Revenues.

3. Franchisee agrees: (i) to join, participate in, and actively support any Area Cooperative established in the Restaurant Brokerage Business's DMA, and (ii) to make contributions to each Area Cooperative on the payment schedule adopted by the Area Cooperative's members and at the contribution rate Franchisor approves.

4. Franchisor will have the sole right, in its discretion, to form, change, dissolve or merge any Area Cooperative.

(5) Website.

1. Franchisor has established a Website that provides information about the System and the services that Restaurant Brokerage Businesses offer. Franchisor shall have sole discretion and control over the website's design and contents, except that the site will contain the pages described in this Section. Franchisor may use part of the marketing fees it collects under Section (1) and part of the FMAF's revenues to pay or reimburse itself for the costs of maintaining and updating the website, except that Franchisor may not use FMAF revenues to pay for those components of the website that are devoted to publicizing the We Sell Restaurants franchise program or the sale of We Sell Restaurants franchises.

2. The website will include a section that provides the address, telephone number and e-mail address of each Restaurant Brokerage Business in the WSR Franchise, LLC, chain, including Franchisee's Restaurant Brokerage Business. At Franchisee's request, Franchisor will also include at the website an interior page devoted to information about Franchisee's Restaurant Brokerage Business. The page must be developed by Franchisee, at Franchisee's expense, with a template that Franchisor provides and will be subject to Franchisor's approval before posting as to form, content and programming

quality. The page will also be subject to Franchisor's policies regarding linking with and framing other websites, the use of so-called metatags and ghost script, and other aspects of electronic advertising and communication. The Franchisee shall not operate any website without the Franchisor's prior written approval.

ITEM 13 - INSURANCE AND INDEMNITY

(1) The Franchisee and, with respect to automobile coverage, Franchisee's Agents, will upon commencement of the Initial Term, purchase and at all times maintain in full force and effect:

1. Insurance policies, in the amounts and on the terms prescribed by the Operations Manual, issued by an insurance company acceptable to Franchisor at all times during the Initial Term of this Agreement and any Interim Period. Insurance coverage must include, but is not limited to, comprehensive general liability, combined single limit, automobile (including automobile coverage for Franchisee and Franchisee's Agents and other sales and marketing personnel who may have customers riding in the automobiles of these persons), bodily injury and all-risk property damage insurance, errors and omissions, business interruption and all other occurrences against claims of any person, employee, customer, agent or otherwise in an amount per occurrence of not less than the amount set forth in the Operations Manual and adjusted by Franchisor periodically in Franchisor's sole discretion, unemployment and workers compensation insurance and any other additional insurance required by the terms of any lease or lender for the Restaurant Brokerage Business. Insurance policies must insure Franchisee, Franchisor, Franchisor's Affiliates, and Franchisor's and Franchisor Affiliates' respective officers, directors, shareholders, members and all other parties designated by Franchisor, as additional named insureds against any liability which may accrue against them because of the ownership, maintenance or operation by Franchisee of the Restaurant Brokerage Business. The policies must also stipulate that Franchisor will receive a thirty (30) day prior written notice of cancellation and must contain endorsements by the insurance companies waiving all rights of subrogation against Franchisor. Original or duplicate copies of all insurance policies, certificates of insurance, or other proof of insurance acceptable to Franchisor, including original endorsements effecting the coverage required by this Section, is furnished to Franchisor together with proof of payment within ten (10) days of issuance thereof. Franchisee will also furnish Franchisor with certificates and endorsements evidencing this insurance coverage within 10-days after each of the following events: (i) at all policy renewal periods, no less often than annually, and (ii) in all instances of any change to, addition to, or replacement of any insurance. The certificates and endorsements for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. All certificates and endorsements are subject to approval by Franchisor. Franchisor reserves the right to require complete, certified copies of all required insurance policies at any time in Franchisor's sole discretion. In the event Franchisee fails to obtain the required insurance and to keep the same in full force and effect, Franchisor may, but is not obligated to, purchase insurance on Franchisee's behalf from an insurance carrier of Franchisor's choice, and Franchisee will reimburse Franchisor for the full cost of this insurance, along with a reasonable service charge to compensate Franchisor for the time and effort expended to secure this insurance, within five (5) days of the date Franchisor

delivers an invoice detailing these costs and expenses to Franchisee. Notwithstanding the foregoing, failure of Franchisee to obtain insurance constitutes a material breach of this Agreement entitling Franchisor to terminate this Agreement or exercise any or a combination of the other default remedies set forth in ITEM 18 of this Agreement. Franchisee will also procure and pay for all other insurance required by state or federal law. Franchisor reserves the right to modify minimum insurance requirements at any time in its sole discretion by updating the Operations Manual.

2. All liability insurance policies procured and maintained by Franchisee and Agents in connection with the Restaurant Brokerage Business will require the insurance company to provide and pay for attorneys to defend any legal actions, lawsuits or claims brought against Franchisee, Franchisor, Franchisor's Affiliates and their respective officers, directors, agents, employees, and all other entities or individuals designated by the Franchisor as additional insureds.

(2) Franchisee will, during the Initial Term and any Interim Period and after the termination or expiration of the Franchise Agreement, indemnify the Franchisor, its Affiliates and their respective officers, owners, directors and employees, and hold them harmless against all claims, demands, losses, damages (including punitive damages), costs, suits, judgments, penalties, expenses (including reasonable attorneys' fees and amounts paid in settlement or compromise) and liabilities of any kind, whether or not ultimately determined to be meritorious (and including damages suffered by the Franchisee or any of its property) (collectively, "Damages") for which they are held liable, or which they incur (including travel, investigation and living expenses of employees and witness fees) in any litigation or proceeding as a result of or arising out of:

1. a breach of this Agreement, or any other agreement between the parties, or any breach of a lease or other instrument by which the right to occupy an Office or any other premises used by Franchisee to operate the Restaurant Brokerage Business is held, by the Franchisee;

2. any injury to or loss of property of any person in, or on, an Office or any other premises used by Franchisee to operate the Restaurant Brokerage Business, or in or on any Restaurant shown to a customer by Franchisee or its Agents or employees, or in an automobile of those persons;

3. the Franchisee's taxes, liabilities, costs or expenses of its Restaurant Brokerage Business;

4. any negligent or willful act or omission of the Franchisee, its employees or Agents, agents, servants, contractors or others for whom it is, in law, responsible; and

5. any advertising or promotional material distributed, broadcasted or in any way disseminated by the Franchisee, or on its behalf unless this material has been produced, or approved in writing, by the Franchisor.

ITEM 14 - RELATIONSHIP

(1) The Franchisee acknowledges that it is an independent contractor and is not an agent, partner, joint venture, or employee of the Franchisor and no training or supervision given by, or assistance from, the Franchisor is deemed to negate this independence. Neither party is liable or responsible for the other's debts or obligations, nor will either party be obligated for any damages to any person or property directly or indirectly arising out of the operation of the other party's business authorized by or conducted pursuant to this Agreement. The Franchisor and the Franchisee agree that no partnership, fiduciary relationship, joint venture or employment relationship exists between them. The Franchisee will conspicuously identify itself in all dealings with the public as a sole operator that is an entity separate from the Franchisor and state that the Franchisor has no liability for the Restaurant Brokerage Business being conducted from the Restaurant Brokerage Business location. It is expressly agreed that the parties intend by this Agreement to establish between the Franchisor and the Franchisee the relationship of franchisor and franchisee. It is further agreed that the Franchisee has no authority to create or assume in the Franchisor's name or on behalf of the Franchisor, any obligation, express or implied, or to act or purport to act as agent or representative on behalf of the Franchisor for any purpose whatsoever. The Franchisee agrees that it will not hold itself out as the agent, employee, partner or co-venturer of the Franchisor. All Agents and employees hired by or working for the Franchisee is the Agent or employees of the Franchisee and will not, for any purpose, be deemed Agents or employees of the Franchisor or subject to the Franchisor control. Each of the parties agrees to file its own tax, regulatory and payroll reports with respect to its respective employees and operations, saving and indemnifying the other party of and from any liability of any nature whatsoever by virtue thereof.

(2) Neither party will make any agreements, representations or warranties (except by the Franchisor in advertising as provided herein) in the name of, or on behalf of, the other party; neither party is obligated by, nor have any liability for, any agreements, representations or warranties made by the other (except by the Franchisor in advertising as provided herein) nor will the Franchisor be liable for any damages to any person or property, directly or indirectly, arising out of the operation of the Franchisee's Restaurant Brokerage Business, whether caused by the Franchisee's or its Agents' negligent or willful action or failure to act.

(3) The Franchisor will have no liability for the Franchisee's obligations to pay any third parties, including without limitation, any product vendors, or any value added, sales, use, service, occupation, excise, Gross Revenues, income, property or other tax levied upon the Franchisee, the Franchisee's property, the Restaurant Brokerage Business or upon the Franchisor in connection with the sales made or business conducted by the Franchisee (except any taxes the Franchisor is required by law to collect from the Franchisee with respect to purchases from the Franchisor).

ITEM 15 - RESTRICTIVE COVENANTS

(1) The Franchisee acknowledges and agrees that:

1. Franchisee's knowledge of the operation of the Restaurant Brokerage Business, the System, and the concepts and methods of promotion of the Restaurant

Brokerage Business hereunder that it has now or obtains in the future is derived from Franchisor's Confidential Information and Trade Secrets. The Franchisee further acknowledges and agrees that all of the Confidential Information and Trade Secrets are the sole property of the Franchisor, represent valuable assets of the Franchisor and that the Franchisor has the right to use the Confidential Information and Trade Secrets in any manner it wishes at any time.

2. During the Initial Term and any Interim Period, Franchisee, and the Franchisees' owners, Designated Business Managers, Agents, and employees who have access to the Confidential Information and Trade Secrets agree that they: (1) will not use the Confidential Information or Trade Secrets in any other business or capacity or for their own benefit; (2) will maintain the absolute confidentiality of the Confidential Information and Trade Secrets; (3) will not make unauthorized copies of any portion of the Confidential Information and Trade Secrets; and (4) will adopt and implement all reasonable procedures the Franchisor periodically requires to prevent unauthorized use or disclosure of the Confidential Information and Trade Secrets including requiring employees, Designated Business Managers, training class attendees, and Franchisee owners who have access to the Confidential Information and Trade Secrets to execute nondisclosure and non-competition agreements as the Franchisor may require periodically, and provide the Franchisor, at the Franchisor's request, with signed copies of each of those agreements. Franchisor will be named as a third-party beneficiary on these nondisclosure and non-competition agreements.

3. After the Agreement expires or is terminated, Franchisee, and Franchisee's owners, Designated Business Managers, Agents, and employees who have access to the Confidential Information and Trade Secrets agree that for a period of five (5) years after the termination or expiration of the Agreement (unless this information is a Trade Secret in which case the requirements in this Section (1)3 will remain in place while this information constitutes a Trade Secret) they: (1) will not use the Confidential Information or Trade Secrets in any other business or capacity or for their own benefit; (2) will maintain the absolute confidentiality of the Confidential Information and Trade Secrets; (3) will not make unauthorized copies of any portion of the Confidential Information or Trade Secrets; and (4) will adopt and implement all reasonable procedures the Franchisor periodically requires to prevent unauthorized use or disclosure of the Confidential Information and Trade Secrets including requiring written nondisclosure and non-competition agreements for those individuals as the Franchisor may require and provide the Franchisor, at the Franchisor's request, with signed copies of each of those agreements. Franchisor will be named as a third-party beneficiary on these nondisclosure and non-competition agreements.

4. Notwithstanding the foregoing, the restrictions on the disclosure and use of the Confidential Information will not apply to the following: (a) Confidential Information in the public domain after it was communicated to the Franchisee through no fault of the Franchisee, its owners, Designated Business Managers, Agents or employees; (b) Confidential Information in the Franchisee's possession free of any obligation of confidence at the time it was communicated to the Franchisee; or (c) the disclosure of the

Confidential Information in judicial or administrative proceedings if the Franchisee is legally compelled to disclose the information, if the Franchisee has notified the Franchisor before disclosure and used the Franchisee's best efforts, and afforded the Franchisor the opportunity to obtain an appropriate protective order or other assurance satisfactory to the Franchisor of confidential treatment for the information required to be so disclosed.

(2) The Franchisee covenants and agrees that:

1. during the Initial Term of this Agreement and any Interim Period thereof, Franchisee, its owners and Designated Business Managers will not, without the prior written consent of the Franchisor, either individually or in a partnership, corporation, limited liability company, joint venture or other business entity or jointly or in conjunction with any person, firm, association, syndicate or corporation, as principal, agent, shareholder, member, partner or in any manner whatsoever, carry on or be engaged in or be concerned with or interested in or advise, lend money to, guarantee the debts or obligations of or permit its name or any part thereof to be used or employed in any business engaging in the sale of Restaurants or offering Site Selection Services to Restaurant operators ("Competitive Business") as carried on periodically during the Initial Term of this Agreement, including any Interim Period thereof.

2. Upon termination or expiration of the Term or any Successor Term, or the transfer, sale or assignment of this Agreement by Franchisee, neither Franchisee, the Designated Business Manager nor Franchisee's owners, officers, directors, managers, members, or partners will have any direct or indirect interest (i.e. through a relative) as a disclosed or beneficial owner, investor, partner, director, officer, employee, consultant, representative or agent, for two years, in any Competitive Business in: (1) the Territory or any other franchisee's territory; (2) within 100 miles of the Territory or any other franchisee's territory; or (3) within 100 miles of any Franchisor or Affiliate-owned We Sell Restaurants Business.

(3) Reserved.

(4) If any person restricted by this ITEM 15 refuses to voluntarily comply with the foregoing obligations, the two (2) year period stated in Section 15(2)(b) or 15(3) and the five (5) year period stated in Section 15(1)3 will commence with the entry of any order of a court or arbitrator enforcing this ITEM 15.

(5) The parties have attempted in Section 15(2) above to limit the Franchisee's right to compete only if necessary to protect the Franchisor from unfair competition. The parties hereby expressly agree that if the scope of enforceability of the provision of Section 15(2) is disputed at any time by the Franchisee, a court or arbitrator, as the case may be, may modify Section 15(2) if it deems necessary to make the provision enforceable under applicable law. In addition, the Franchisor reserves the right to reduce the scope of said provision without the Franchisee's consent, at any time or times, effective immediately upon notice to the Franchisee. The Franchisee expressly acknowledges that it possesses skills and abilities of a general nature and has other

opportunities to exploit these skills. Consequently, enforcement of the covenants set forth above will not deprive the Franchisee of the ability to earn a living.

(6) Nothing in this ITEM 15 will prevent any active officer of Franchisee or member of the Franchisee's family, either individually or collectively, from owning not more than a total of five percent (5%) of the stock of any company which is subject to the reporting requirements of the U.S. Securities and Exchange Act of 1934, provided that Franchisee is otherwise not actively involved in the management or operation of that business and does not serve that business in any capacity other than as a shareholder.

(7) Franchisor must be protected against the potential for unfair competition by Franchisee's use of Franchisor's training, assistance, Confidential Information and Trade Secrets in direct competition with Franchisor. Franchisee further acknowledges that Franchisor would not have entered into this Agreement or shared the Confidential Information, Trade Secrets and other information with Franchisee, absent Franchisee's agreement to strictly comply with the provisions of this ITEM 15. The Franchisee acknowledges that as a franchisee of Franchisor, it will have access to the Franchisor's Trade Secrets and Confidential Information and therefore be in a unique position to use the special knowledge gained as a franchisee. The Franchisee acknowledges that a breach of the covenants contained in this ITEM 15 will be deemed to threaten immediate and substantial irreparable injury to the Franchisor. Accordingly, the Franchisee agrees that the Franchisor will have the right, without prior notice to the Franchisee, to obtain immediate injunctive relief for breach of this ITEM 15 without limiting any other rights or remedies and without posting a bond.

(8) In the event that the Franchisee is not an individual, this ITEM 15 will also apply to the officers, directors, stockholders, partners, owners, members, trustees, beneficiaries and/or principals of the Franchisee, the Franchisee, and any persons controlled by, controlling or under common control with the Franchisee.

ITEM 16 - ASSIGNMENT

(1) The Franchisee acknowledges that the Franchisor's obligations under this Agreement are not personal. Franchisor will have the absolute right, in its sole discretion, to unconditionally transfer or assign this Agreement or any of its rights or obligation under this Agreement to any person, corporation or other party.

(2) Franchisor reserves the right to assign the System to anyone, including the operator of a competing franchise, restaurant brokerage, business brokerage, or real estate brokerage system. The Franchisee acknowledges and agrees that the Franchisor may sell its assets, the Marks or the System to any third party of the Franchisor's choice; may offer its securities privately or publicly; may merge with or acquire other corporations or be acquired by another corporation; may undertake a refinancing, recapitalization, leverage buyout, or other economic or financial restructuring; or may terminate or cease to exist or dissolve, in any case without the Franchisee's consent, and Franchisee will look only to the transferee to perform the Franchisor's obligations in all material respects, and Franchisor is free of any responsibility or liability whatsoever to the Franchisee after the transaction occurs.

(3) With regard to any of the above sales, assignment and dispositions, the Franchisee expressly and specifically waives any claims, demands, or damages against the Franchisor arising from or related to the transfer of the Marks, assets or the System from the Franchisor to any other party.

(4) The Franchisee understands and acknowledges that the rights and duties set forth in this Agreement are personal to the Franchisee. Accordingly, this Agreement, the Franchisee's rights and interests hereunder, the property and assets owned and used by the Franchisee in connection with the Restaurant Brokerage Business, and any shares, stock, membership or interest in any corporation, limited liability company, or other entity having an interest in the Restaurant Brokerage Business, will not be voluntarily or involuntarily, directly or indirectly, sold, pledged, assigned, transferred, shared, subdivided, sub-franchised, encumbered or transferred in any way (including, without limitation, in the event of the death of the Franchisee if the Franchisee is an individual), in whole or in part, in any manner whatsoever without the prior written approval of the Franchisor and compliance with all terms of this ITEM 16. Any unauthorized sale, assignment, transfer or other conveyance, by operation of law or otherwise, or any attempt to do so, is deemed void and grounds for termination of this Agreement by the Franchisor.

(5) With and after each valid assignment of this Agreement pursuant to this ITEM 16, the assignee or assignees of the Franchisee is deemed to be the Franchisee under this Agreement and will be bound by and liable for all of the Franchisee's existing and future obligations. No stockholder in any corporation, member in any limited liability company or partner in any partnership which becomes the Franchisee will have any rights under this Agreement by reason of his, her or its stock ownership, membership interest or partnership interest.

(6) If the Franchisee will at any time determine to sell, in whole or in part, the Restaurant Brokerage Business, the Franchisee will obtain a bona fide, signed, written offer (“**Purchase Offer**”) for the Restaurant Brokerage Business together with all real or personal property, leasehold improvements and other assets used by the Franchisee in its Restaurant Brokerage Business from a responsible, arms' length, and fully disclosed purchaser and will submit an exact copy of this Purchase Offer to the Franchisor. Franchisor will have a right of first refusal to purchase the Restaurant Brokerage Business as provided in ITEM 17.

(7) No transfer or assignment of this Agreement will be approved by the Franchisor or be effective unless and until all the following conditions are satisfied:

1. The Franchisee being then in full compliance herewith and having paid to the Franchisor all outstanding debts or amounts owing to the Franchisor before the transfer;
2. The transferee executing the Franchisor's then current franchise agreement (which, in Franchisor's sole discretion, may have a term equal to the remainder of Franchisee's Initial Term, but which may contain provisions substantially different from those contained herein, including a higher royalty and greater expenditures for advertising and promotion than are provided hereunder, and any other documents then customarily used by the Franchisor to grant franchises), all other documents as may be reasonably

requested by the Franchisor and paying to the Franchisor a transfer fee in the amount equal to Fifteen Thousand Dollars (\$15,000) (“**Transfer Fee**”);

3. The Franchisee's execution of a general release of the Franchisor, including its officers, directors, agents, employees, and Affiliates from the parties' obligations under the Agreement;

4. The transferee purchasing all of the Franchisee's assets used in the Restaurant Brokerage Business in accordance with all applicable bulk sales legislation and assuming all of the liabilities of the Restaurant Brokerage Business unless these liabilities have been paid before the closing of the transaction of purchase and sale or unless the sale is a sale of shares in the capital stock or membership interest of the Franchisee;

5. The transferee is an individual, corporation, limited liability company, partnership, or other business entity having adequate financial resources and who will meet all criteria established by the Franchisor for franchisees. The transferee will also complete, at its expense, the Franchisor's then current training program established by the Franchisor for franchisees before the transfer unless: (i) the transferee is a current franchisee in good standing in the System, or (ii) the transferee is or has been a Designated Business Manager for a period of one (1) year or more of a Restaurant Brokerage Business in good standing;

6. The parties to the proposed transaction will have entered into a binding agreement subject only to the rights of the Franchisor set out in ITEM 17. Franchisor is furnished a copy of this binding agreement, and this agreement is subject to the Franchisor's approval in writing. The Franchisee must advise each prospective transferee of this provision and the other terms of this Agreement;

7. The proposed transferee or the stockholders, partners, members or owners of a beneficial interest in a proposed corporation, partnership, limited liability company or other entity transferee, providing jointly and severally those personal guarantees which the Franchisor may request, guaranteeing the proposed transferee's performance of its obligations under the agreements to be entered into;

8. The proposed transferee will have demonstrated to the Franchisor's satisfaction that it, he or she will meet in all respects the Franchisor's standards applicable to new franchisees regarding experience, personal and financial reputation and stability, willingness and ability to devote its, his or her full time and best efforts to the operation of the Restaurant Brokerage Business, and any other conditions as the Franchisor may reasonably apply in evaluating new franchisees. Franchisor must be provided all information about the proposed transferee as the Franchisor may reasonably require. Because of the confidential information and trade secrets available to a franchisee, no assignment to a competitor of the Franchisor will be permitted; and

9. The transferee paying all costs of: (i) the Franchisor with respect to the granting of its approval, as hereinbefore contemplated, including but not limited to all of its legal costs with respect to the preparation and execution of the above noted Franchise

Agreement, and all other documents then customarily used by the Franchisor to grant franchises; and (ii) the transfer, including but not limited to all professional fees (attorney's fees, broker fees, and the like), leasing expenses, document preparation costs and due diligence.

(8) Notwithstanding anything to the contrary herein contained, if Franchisee is an individual, the Franchisor will, upon the Franchisee's compliance with any requirements as may periodically be prescribed by the Franchisor (including the obtaining of all necessary approvals to the assignment of leases, if any, of Franchisee's Office(s)), consent to an assignment of the Franchisee's right, title and interest in and to this Agreement, and the property and assets owned and used by the Franchisee in connection therewith and any other agreement then in effect between the Franchisee and the Franchisor to a corporation, limited liability company or other business entity which is wholly owned and controlled by the Franchisee, subject to the following (provided that this assignment will in no way release the Franchisee from any liability under this Agreement):

1. Contemporaneously with this assignment and upon the appointment or election of any person as director, officer, partner or manager of the corporation, limited liability company or other business entity, the corporation, limited liability company, partnership or other business entity will cause each shareholder, partner, member, manager, director(s) and officer(s) of the corporation, limited liability company, partnership or other business entity to execute a written agreement with the Franchisor under seal, personally guaranteeing full payment and performance of the Franchisee's obligations to the Franchisor and individually undertaking to be bound, jointly and severally, by all the terms of this Agreement or any new current form of Franchise Agreement and jointly and severally liable;

2. No shares or interest in the capital of the corporation, limited liability company, partnership or other business entity is issued nor will the Franchisee directly or indirectly, voluntarily or involuntarily, by operation of law or otherwise, sell, assign, transfer, convey, donate, pledge, mortgage or otherwise encumber any shares or interest or offer or attempt to do so or permit the same to be done without the Franchisor's prior written consent;

3. The corporation will maintain stop transfer instructions against the transfer of shares on its records subject to the restrictions of this Section and will have all outstanding shares endorsed with the following legend printed conspicuously upon the face of each certificate:

“The transfer of this certificate is subject to the terms and conditions of a certain Franchise Agreement with WSR Franchise, LLC. Reference is made to said Franchise Agreement and to the restrictive provisions of the articles of this corporation.”

4. The articles of incorporation, articles of organization, operating agreement, partnership agreement, shareholder agreement, and by-laws of the corporation, limited liability company, partnership or other business entity will provide that its objectives or

business is confined exclusively to the operation of the Restaurant Brokerage Business as provided for in this Agreement, and recite that the issuance and transfer of any shares, membership interest, partnership interest or other interest is restricted by the terms of this Agreement, and copies thereof is furnished to the Franchisor upon request;

5. The Franchisor's consent to a transfer of any interest subject to the restrictions of this Section will not constitute a waiver of any claim it may have against the assignor, nor will it be deemed a waiver of the Franchisor's right to demand exact compliance with any of the terms of this Agreement by the assignee;

6. The corporation, partnership, limited liability company or other business entity will advise the Franchisor and keep the Franchisor current as to the names and addresses of the directors, officers, members, partners and shareholder of and those persons financially involved in the corporation, partnership, limited liability company or other business entity; and

7. The Franchisee agrees to devote its full time and best efforts to manage the day-to-day operations of the franchised business unless it has an operational partner or Designated Business Manager approved by the Franchisor.

(9) Upon the death of the Franchisee, shareholder, partner, or member the rights granted by this Agreement may pass to the next of kin or legatees, provided that the Franchisee's legal representatives will within ninety (90) calendar days of the Franchisee's death apply in writing to the Franchisor for the right to transfer to the next of kin or legatee the Franchisee's rights under this Agreement. Franchisor will not unreasonably withhold its permission so long as the proposed transferees meet each of the requirements set forth in this ITEM 16 within thirty (30) days of the receipt of a conditional permission for the transfer.

(10) Any attempt by the Franchisee to transfer any of its rights or interest under this Agreement or the License, without having received the Franchisor's prior written consent, will constitute a material breach of this Agreement. However, if the Franchisee dies and its personal representative does not desire to sell the Restaurant Brokerage Business, and if under controlling local law the Franchisee's interest in the Restaurant Brokerage Business, the License and Agreement are distributable to heirs or legatees who are members of his or her immediate family and who otherwise would qualify as assignees, then this attempted assignment by operation of law will not be deemed in violation of this Agreement, provided that these heirs or legatees accept the conditions imposed on otherwise permitted assignees.

(11) The Franchisee will not have the right to grant a sub-franchise.

ITEM 17 - OPTION TO PURCHASE—RIGHT OF FIRST REFUSAL

(1) Unless otherwise explicitly provided by this Agreement, the Franchisor is entitled to exercise the rights provided in this Section immediately upon:

1. The expiration without the extension of Franchisee's rights to operate the Restaurant Brokerage Business or the termination for any reason of the License or this Agreement;

2. Any breach, default or other event that gives the Franchisor the right to terminate the License or this Agreement, after expiration of any applicable notice and cure period; or

3. The receipt by the Franchisor of a copy of a Purchase Offer.

(2) Upon any event described in Section 17(1), the Franchisor will have the option to purchase all of the Franchisee's rights, title and interest in the Restaurant Brokerage Business, and all its improvements, furniture, fixtures, equipment, and all of the Franchisee's accounts, contract rights, customer and vendor lists, work in progress and all other business assets. The right and option granted to Franchisor by this ITEM 17 is assignable by Franchisor to any other person or entity.

(3) The purchase price for the assets described in Section 17(2) will be, subject to Section 17(4): (i) the current fair market value if Section 17(1)1 or 17(1)2 is applicable; or (ii) the price specified in the Purchase Offer received by the Franchisee if this Section 17(1)3 is applicable. If the Franchisee and the Franchisor cannot agree on fair market value within a reasonable time, an independent appraiser will be designated by each of the Franchisee and the Franchisor and an average of the two (2) appraised values will be binding. Appraised values will exclude any and all consideration for goodwill or going concern value created by the Marks and business system licensed to the Franchisee.

(4) If the Franchisor elects to exercise any option to purchase provided in this ITEM 17, the Franchisor will have the right to set off all amounts due from the Franchisee to Franchisor or its Affiliates under the Franchise Agreement or any other agreements between these parties, any commissions or fees payable to any broker, agent or other intermediary and the cost of the appraisal, if any, against any payment. Franchisor will also have the right to substitute cash for any other form of consideration specified in the Purchase Offer and to pay in full the entire purchase price at the time of closing.

(5) Franchisor will notify the Franchisee of its intention to exercise or to not exercise its rights to purchase ("Notice of Intent") within sixty (60) days following an event described in Section 17(1)1 or 17(1)2 or within fifteen (15) days following an event described in Section 17(1)3. The Notice of Intent will specify the assets to be purchased, and the current fair market value as determined by the Franchisor if Section 17(1)1 or 17(1)2 is applicable. In the event the Franchisor is purchasing the assets pursuant to Sections 17(1)1 or 17(1)2, the Franchisee will have fourteen (14) days following receipt of the Franchisor's Notice of Intent to object to any of the prices specified therein, and any disputes over pricing shall be resolved through appraisal as specified by Section 17(3). If the Franchisor declines to exercise its rights under this Section or fails to notify the Franchisee within the fifteen (15) or sixty (60) day period described above, as applicable, the Franchisee may sell or dispose of the Restaurant Brokerage Business to any third party in the event of a sale under Section 17(1)1 or 17(1)2 or to the third party identified in the Purchase Offer in the

event of a sale under Section 17(1)3, but not at a lower price nor on more favorable terms than set forth in the Purchase Offer, if any, or the Notice of Intent and subject to the prior written permission of the Franchisor and satisfaction of the other conditions to assignment set forth in ITEM 16. If the sale to this third-party purchaser is not completed within ninety (90) days after Franchisor delivers or is deemed to have delivered the Notice of Intent not to purchase the assets to Franchisee, the Franchisor will again have the right of first refusal herein provided.

(6) If the Franchisor provides Franchisee with its Notice of Intent to exercise its rights under this ITEM 17, the purchase and sale contemplated in this Section is consummated as soon as possible. In the event the Franchisor is purchasing the assets pursuant to Sections 17(1)1 or 17(1)2, following the delivery of a Notice of Intent as specified in Section 17(5), the Franchisor or the Franchisor's assignee or designee will have the immediate right to take possession of the Restaurant Brokerage Business and to carry on and develop the Restaurant Brokerage Business for the exclusive benefit of the Franchisor, or its assignee or designee.

ITEM 18 - DEFAULT AND TERMINATION

(1) The Franchisor will have the right, at its option, to (i) suspend performance of certain or all of its services to the Franchisee during the time period Franchisee is in default of this Agreement; or (ii) terminate this Agreement and all rights granted the Franchisee hereunder, (subject to the provisions of applicable state law governing franchise termination and renewal), effective upon receipt of notice by the Franchisee, addressed as provided in ITEM 19, upon the occurrence of any of the following events:

1. The Franchisee intentionally or negligently discloses to any unauthorized person the contents of or any part of the Franchisor's Operations Manual, Confidential Information or Trade Secrets of the Franchisor;

2. The Franchisee voluntarily abandons the Restaurant Brokerage Business for a period of five (5) consecutive days, or any shorter period that indicates an intent by the Franchisee to discontinue operation of the Restaurant Brokerage Business, unless this abandonment is due to a Force Majeure Event, as defined in Section 21(6) and not related to the availability of funds to the Franchisee;

3. The Franchisee becomes insolvent or is adjudicated a bankrupt, or any action is taken by the Franchisee or by others against the Franchisee, under any insolvency, bankruptcy or reorganization act, or if the Franchisee makes an assignment for the benefit of creditors or a receiver is appointed for the Franchisee;

4. Any material judgment (or several judgments which in the aggregate are material) is obtained against the Franchisee and remains unsatisfied or of record for thirty (30) days or longer (unless a supersedeas or other appeal bond has been filed); or if execution is levied against the Franchisee's Restaurant Brokerage Business or any of the property used in the operation of the Restaurant Brokerage Business and is not discharged within five (5) days; or if the real or personal property of the Franchisee's Restaurant Brokerage Business is sold after levy thereupon by any sheriff, marshal or constable;

5. The Franchisee or any owner of greater than twenty percent (20%) of the Franchisee entity or operator has its real estate broker license terminated or suspended for a period of greater than thirty (30) days or is charged or convicted of a felony, a crime involving moral turpitude, or any crime or offense that is reasonably likely, in the sole opinion of the Franchisor, to materially and unfavorably affect the System, Marks, goodwill or reputation thereof;

6. The Franchisee fails to pay any amounts due the Franchisor or its Affiliates within ten (10) days after receiving notice that these fees or amounts are overdue;

7. The Franchisee misuses or fails to follow the Franchisor's directions and guidelines concerning use of the Marks and fails to correct the misuse or failure within ten (10) days after notification from the Franchisor;

8. The Franchisee has received two (2) notices of default with respect to Franchisee's obligations hereunder from the Franchisor within a twelve (12) month period, regardless of whether the defaults were cured by the Franchisee;

9. The Franchisee sells, transfers or otherwise assigns the Restaurant Brokerage Business, an interest in the Restaurant Brokerage Business or the Franchisee entity, this Agreement, the Restaurant Brokerage Business or a substantial portion of the assets of the Restaurant Brokerage Business owned by the Franchisee without complying with the provisions of ITEM 16 and ITEM 17;

10. The Franchisee submits on two (2) or more occasions during the Initial Term or any Interim Period a report, financial statement, tax return, schedule or other information or supporting record which understates its Gross Revenue by more than two percent (2%), unless the Franchisee demonstrates that this understatement resulted from inadvertent error;

11. The Franchisee fails, or refuses, to submit any report, financial statement, tax return, schedule or other information or supporting records required herein, or submits these reports more than five (5) days late on two (2) or more occasions during the Initial Term or any Interim Period unless due to circumstances beyond the control of the Franchisee;

12. The Franchisee sells or offers for sale any unauthorized merchandise, product or service, engages in any unauthorized business or practice or sells any unauthorized product or service under the Marks or under a name or mark which is confusingly similar to the Marks;

13. The Franchisee contests in any court or proceeding the validity of, or the Franchisor's ownership of the Marks or copyrighted materials;

14. The Franchisee is a corporation, limited liability company, partnership or other business entity and any action is taken which purports to merge, consolidate, dissolve or liquidate this entity without the Franchisor's prior written consent;

15. The Franchisee or its Designated Business Manager fails to successfully complete the Franchisor's training or retraining course(s);

16. The Franchisee receives from the Franchisor during the Initial Term and any Interim Period three (3) or more notices of default regardless whether these notices of default relate to the same or different defaults, or whether these defaults have been remedied by the Franchisee; or

17. Any misrepresentation under Section 2(10) of this Agreement or any violation of Anti-Terrorism Laws by Franchisee, its Designated Business Manager, its owners, agents or employees.

(2) The Franchisor will have the right, at its option, to (i) suspend performance of certain or all of its services to the Franchisee during the time period Franchisee is in default of this Agreement; or (ii) terminate this Agreement (subject to any state laws to the contrary, where state law will prevail), effective upon thirty (30) days written notice to the Franchisee, if the Franchisee breaches any other provision of this Agreement and fails to cure the default during such thirty (30) day period. In that event, this Agreement will terminate without further notice to the Franchisee, effective upon expiration of the thirty (30) day period. Defaults include, but are not limited to, the following:

1. The Franchisee fails to maintain the then-current operating procedures and standards established by the Franchisor as set forth herein or in the Operations Manual or otherwise communicated to the Franchisee;

2. The Franchisee fails, refuses or neglects to obtain the Franchisor's prior written approval or consent as required by this Agreement;

3. The Franchisee fails or refuses to comply with the then-current requirements of the Operations Manual;

4. The Franchisee, or any partnership, joint venture, limited liability company, corporation or other Restaurant Brokerage Business entity in which Franchisee has a controlling equity interest, defaults under any term of the lease of an Office or any other premises used by Franchisee to operate the Restaurant Brokerage Business, any other franchise agreement with the Franchisor or any other agreement material to the Restaurant Brokerage Business and such default is not cured within the time specified in this Lease, other franchise agreement or other agreement;

5. The Franchisee fails, refuses or neglects to submit a statement of monthly revenues accompanying the Royalty Fee or FMAF funds or any other report required under the Agreement when due;

6. The Franchisee fails, refuses or neglects to accurately report Gross Revenues, sales information or other information required by Franchisor to be reported; or

7. The Franchisee fails to comply with any other provision of this Agreement or any specification, standard or operating procedure prescribed by the Franchisor and does not correct this failure within ten (10) days (or thirty (30) days if this is the first non-compliance or breach) after written notice from the Franchisor (which will describe the action that the Franchisee must take) is delivered to the Franchisee.

(3) Notwithstanding the foregoing, if the breach is curable, but is of a nature which cannot be reasonably cured within this 30-day period and the Franchisee has commenced and is continuing to make good faith efforts to cure the breach during this 30-day period, the Franchisee is given an additional reasonable period of time to cure the same, but in no event longer than thirty (30) additional days.

(4) Any attempted termination of this Agreement by the Franchisee for any reason or no reason at all is deemed to be a termination without cause, and a breach hereof, by the Franchisee. The Franchisee agrees that it will not, on grounds of an alleged nonperformance by the Franchisor of any of its obligations or any other reason, withhold payment of any amount due to the Franchisor whatsoever or set off amounts owed to the Franchisor under this Agreement, against any monies owed to the Franchisee, which right of set off is hereby expressly waived by the Franchisee.

(5) No endorsement or statement on any check or payment of any sum less than the full sum due to the Franchisor is construed as an acknowledgment of payment in full or an accord and satisfaction, and the Franchisor may accept and cash this check or payment without prejudice to its right to recover the balance due or pursue any other remedy provided herein or by law. The Franchisor may apply any payments made by the Franchisee against any past due indebtedness of the Franchisee as the Franchisor may see fit. The Franchisor may set off against any payment due to the Franchisee hereunder any outstanding debts of the Franchisee to the Franchisor, and may, at the Franchisor's option, pay the Franchisee's trade creditors out of any sum otherwise due to the Franchisee.

(6) The Franchisee agrees to pay within five (5) days of the effective date of termination or expiration of the Franchise all amounts owed to the Franchisor, Franchisor's Affiliates, the landlord of an Office or other premises used in the Restaurant Brokerage Business, and the Franchisee's trade and other creditors which are then unpaid.

(7) All royalty and advertising contributions, all amounts due for goods purchased by the Franchisee periodically from the Franchisor or its Affiliates and any other amounts owed to the Franchisor or its Affiliates by the Franchisee pursuant to this Agreement or any other agreement accrue interest after the due date at the rate of eighteen percent (18%) per annum or the highest rate permitted by law, whichever is lower, both before and after default, with interest on overdue interest at the aforesaid rate. The acceptance of any interest payment will not be construed as a waiver by the Franchisor of its rights in respect of the default giving rise to this payment and is without prejudice to the Franchisor's right to terminate this Agreement in respect of this default.

(8) Should the Franchisee, or any partnership or joint venture or corporation in which the Franchisee has a controlling equity interest, be a franchisee pursuant to another Franchise Agreement with the Franchisor, respecting another franchised Restaurant Brokerage Business using the Marks, a default under this Agreement constitutes a default under any other Franchise Agreement and vice versa, with like remedies available to the Franchisor. Should any other Franchise Agreement cease to be valid, binding and in full force and effect for any reason then the Franchisor may, at its option terminate this Agreement and this Agreement is forthwith surrendered by the Franchisee and terminated, and likewise should this Agreement cease to be valid binding and in full force and effect for any reason, the Franchisor may at its option terminate the other Franchise Agreement and the other Franchise Agreement is forthwith surrendered and terminated. In the event that there is more than one Franchisee, or if the Franchisee should consist of more than one legal entity, the Franchisee's liability hereunder is both joint and several. A breach hereof by one of these entities or the Franchisee is deemed to be a breach by both or all.

(9) The Franchisee agrees that upon termination or expiration of this Agreement for any reason, it will take the following action:

1. Immediately discontinue the use of all Marks, signs, structures, forms of advertising, telephone listings, facsimile numbers, e-mail addresses, the Operations Manual, and all materials, Services of any kind which are identified or associated with the System and return all these materials to the Franchisor;

2. Immediately turn over to Franchisor all materials, including the Operations Manual, customer lists, records, files, instructions, brochures, advertising materials, agreements, Confidential Information, Trade Secrets and any and all other materials provided by Franchisor to Franchisee or created by a third party for Franchisee relating to the operation of the Restaurant Brokerage Business (all of which are acknowledged to be Franchisor's property). Under no circumstances will Franchisee retain any printed or electronic copies of the Operations Manual, Confidential Information or Trade Secrets or portions thereof upon expiration or termination of this Agreement;

3. Franchisee hereby acknowledges that all telephone numbers, facsimile numbers and Internet addresses used in the operation of the Restaurant Brokerage Business constitute assets of the Franchisor; and upon termination or expiration of this Agreement, Franchisee will take action within five (5) days to cancel or assign to Franchisor or its designee as determined by Franchisor, all Franchisee's right, title and interest in and to Franchisee's telephone numbers, facsimile numbers and Internet addresses and will notify the telephone company and all listing agencies of the termination or expiration of Franchisee's right to use any telephone number and Internet and e-mail addresses, and any regular, classified or other telephone directory listing associated with the Marks and to authorize a transfer of same to or at the direction of Franchisor. Franchisee acknowledges that, as between Franchisor and Franchisee, Franchisor has the sole rights to, and interest in, all telephone numbers, facsimile numbers, directory listings and Internet addresses used by Franchisee to promote the Restaurant Brokerage Business and/or associated with the Marks. Franchisee hereby irrevocably appoints Franchisor, with full power of substitution, as its true and lawful attorney-in-fact, which appointment is coupled with an interest, to

execute these directions and authorizations as may be necessary or prudent to accomplish the foregoing. **Attachment E** evidences this appointment;

4. Make no representation nor state that the Franchisee is in any way approved, endorsed or licensed by the Franchisor or associated or identified with the Franchisor or the System in any manner;

5. Immediately take all steps necessary to amend or terminate any registration or filing of any d/b/a or Restaurant Brokerage Business name or fictitious name or any other registration or filing containing the Marks so as to delete the Marks and all references to anything associated with the System;

6. Provide the Franchisor the option to purchase as set forth in ITEM 17;

7. Comply with the provisions of Sections 11(1)3, 11(1)4, and ITEM 15; and

8. Pay to the Franchisor the sum of \$25,000.00 as liquidated damages and not as a penalty.

(10) If, within thirty (30) days after termination or expiration of this Agreement by the Franchisor, the Franchisee fails to remove all displays of the Marks from the Restaurant Brokerage Business, the Franchisor may enter the Restaurant Brokerage Business to effect removal. In this event, the Franchisor will not be charged with trespass nor be accountable or required to pay for any displays or materials.

(11) If, within thirty (30) days after termination or expiration of this Agreement, the Franchisee has not taken all steps necessary to amend or terminate any registration or filing of any business name or d/b/a or any other registration or filing containing the Marks, the Franchisee hereby irrevocably appoints the Franchisor as the Franchisee's true and lawful attorney for the Franchisee, and in the Franchisee's name, place and stead and on the Franchisee's behalf, to take action as may be necessary to amend or terminate all registrations and filings, this appointment being coupled with an interest to enable the Franchisor to protect the System.

(12) Termination or expiration of this Agreement will not affect, modify or discharge any claims, rights, causes of action or remedies which the Franchisor may have against the Franchisee, whether these claims or rights arise before or after termination or expiration.

(13) All obligations of the parties which expressly or by their nature survive the expiration or termination of this Agreement will continue in full force and effect notwithstanding this expiration or termination. In particular, but without limiting the generality of the foregoing, the provisions of ITEM 11, ITEM 13, ITEM 15 and ITEM 17, hereof will survive termination or expiration of this Agreement.

(14) In the event that this Agreement expires or is terminated for any reason whatsoever and the Franchisor is the lender under any loan agreement (“**Loan**”) or the holder of any promissory note (“**Note**”) or the holder of any personal property, security interest, chattel

mortgage, debenture or mortgage of any nature whatsoever (“**Security Interest**”) from the Franchisee concerning assets used at any time by the Franchisee in the Restaurant Brokerage Business or which are situated on the Restaurant Brokerage Business premises, this Loan, Note or Security Interest will, upon the effective date of termination or expiration, immediately become fully due and payable as to all principal and interest so loaned and secured.

(15) If any applicable and binding law or rule of any jurisdiction requires a greater prior notice of the termination of this Agreement than is required hereunder, the prior notice or other action required by that law or rule is substituted for the notice requirements hereof. Those modifications to this Agreement are effective only in that jurisdiction and are enforced as originally made and entered into in all other jurisdictions.

(16) In the event of termination of the Agreement for any reason whatsoever the parties will accept the default remedies contained herein as full and final satisfaction of all claims. The parties waive, if permitted by law, any claim against the other for punitive or exemplary damages; except for punitive or exemplary damages for violation of the Lanham Act, trademark infringement or dilution, unauthorized dissemination of the Confidential Information or Trade Secrets or arising under the indemnification set out in ITEM 13.

(17) The rights of the parties are cumulative and no exercise or enforcement by a party of any right or remedy hereunder will preclude the exercise or enforcement by that party of any other right or remedy herein contained, or to which it is entitled by law.

(18) Nothing herein will prevent the Franchisor or the Franchisee from seeking injunctive relief to prevent irreparable harm, in addition to all other remedies. If it is necessary for the Franchisor to seek preliminary or permanent injunctive relief, the Franchisor may do so without a bond.

(19) THE PARTIES ACKNOWLEDGE THAT IN THE EVENT THAT THE TERMS OF THIS AGREEMENT REGARDING TERMINATION OR EXPIRATION ARE INCONSISTENT WITH APPLICABLE STATE OR FEDERAL LAW, THE STATE OR FEDERAL LAW WILL GOVERN THE FRANCHISEE'S RIGHTS REGARDING TERMINATION OR EXPIRATION OF THIS AGREEMENT.

ITEM 19 - NOTICES

Any notice of default under this Agreement is delivered personally or by courier to the appropriate location. Any other notice, request, demand, approval, consent or other communication which the parties may be required or permitted to be given under this Agreement is in writing and may be given to the party for whom it is intended by personal delivery, facsimile transmission or delivering it to the party by mailing it by prepaid registered mail or by sending it through a nationally recognized overnight courier service as follows:

To Franchisor: WSR Franchise, LLC
5055 N. Oceanshore Boulevard
Palm Coast, Florida 32137
Fax No.: (888) 668-8625

To Franchisee: As stated on Cover Page.

Any notice or other document delivered personally or by facsimile transmission is deemed to have been received by and given to the addressee on the day of delivery and any other notice or other document mailed as aforesaid, is deemed to have been received by and given to the addressee on the third business day following the date of mailing or the first day following the day the notice is deposited with a nationally recognized overnight courier service. Any party may at any time give notice in writing to any other party of any change of address.

ITEM 20 - ARBITRATION

(1) Prior to the initiation of any arbitration or other legal proceeding, excluding any action for injunctive relief, each party shall provide the other party at least ten (10) days written notice and the parties agree to discuss such demands during this time in a good faith attempt to resolve the applicable dispute.

(2) EXCEPT AS OTHERWISE PROVIDED IN THIS SECTION, ANY CONTROVERSY OR DISPUTE ARISING OUT OF, OR RELATING TO THE FRANCHISE OR THIS AGREEMENT INCLUDING, ANY CLAIM BY THE FRANCHISEE OR ANY PERSON IN PRIVITY WITH OR CLAIMING THROUGH, ON BEHALF OF OR IN THE RIGHT OF THE FRANCHISEE, CONCERNING THE ENTRY INTO, PERFORMANCE UNDER, OR TERMINATION OF, THIS AGREEMENT OR ANY OTHER AGREEMENT ENTERED INTO BY THE FRANCHISOR, OR ITS SUBSIDIARIES OR AFFILIATES, AND THE FRANCHISEE, ANY CLAIM AGAINST A PAST OR PRESENT EMPLOYEE, OFFICER, DIRECTOR, MEMBER, SHAREHOLDER OR AGENT OF THE FRANCHISOR; ANY CLAIM OF BREACH OF THIS AGREEMENT; AND ANY CLAIMS ARISING UNDER STATE OR FEDERAL LAWS, IS SUBMITTED TO FINAL AND BINDING ARBITRATION AS THE SOLE AND EXCLUSIVE REMEDY FOR ANY CONTROVERSY OR DISPUTE. "PERSONS IN PRIVITY" WITH OR CLAIMING THROUGH, ON BEHALF OF OR IN THE RIGHT OF THE FRANCHISEE INCLUDE BUT ARE NOT LIMITED TO, SPOUSES AND OTHER FAMILY MEMBERS, HEIRS, EXECUTORS, REPRESENTATIVES, SUCCESSORS AND ASSIGNS. SUBJECT TO THIS SECTION, THE RIGHT AND DUTY OF THE PARTIES TO THIS AGREEMENT TO RESOLVE ANY DISPUTES BY ARBITRATION IS GOVERNED EXCLUSIVELY BY THE FEDERAL ARBITRATION ACT, AS AMENDED, AND ARBITRATION WILL TAKE PLACE ACCORDING TO THE COMMERCIAL ARBITRATION RULES OF THE AMERICAN ARBITRATION ASSOCIATION IN EFFECT AS OF THE DATE THE DEMAND FOR ARBITRATION IS FILED. THE ARBITRATION WILL BE HELD IN ATLANTA, GEORGIA OR FRANCHISOR'S THEN-CURRENT PRINCIPAL PLACE OF BUSINESS. HOWEVER, ARBITRATION WILL NOT BE REQUIRED TO BE USED FOR ANY DISPUTE WHICH

INVOLVES THE FRANCHISEE'S OR FRANCHISOR'S CONTINUED USAGE OF ANY OF THE MARKS, THE SYSTEM, OR RESTAURANT BROKERAGE BUSINESS CONCEPT; ANY ISSUE WHERE INJUNCTIVE RELIEF AGAINST THE FRANCHISEE OR THE FRANCHISOR IS AN APPROPRIATE REMEDY; DISPUTES SOLELY INVOLVING THE PAYMENT OF MONEY; OR, ANY ISSUES RELATED TO DISCLOSURE OR MISUSE OF CONFIDENTIAL INFORMATION OR TRADE SECRETS, ALL OF WHICH SUCH ISSUES MAY BE SUBMITTED TO A STATE OR FEDERAL COURT WITHIN THE STATE OF GEORGIA. THE PARTIES EXPRESSLY CONSENT TO PERSONAL JURISDICTION IN THE STATE OF GEORGIA AND AGREE THAT ITS COURTS WILL HAVE EXCLUSIVE JURISDICTION OVER ANY OF THESE ISSUES NOT SUBJECT TO ARBITRATION.

(3) The parties will select one (1) arbitrator from a panel of neutral arbitrators provided by the American Arbitration Association and this arbitrator is chosen by the striking method. The parties will each bear all of their own costs of arbitration; however, the fees of the arbitrator shall be divided equally between the parties. The arbitrator will have no authority to amend or modify the terms of this Agreement. The award or decision by the arbitrator is final and binding on the parties and may be enforced by judgment or order of a court having subject matter jurisdiction in the state where the arbitration took place. The parties' consent to the exercise of personal jurisdiction over them by these courts and to the propriety of venue of these courts for the purpose of carrying out this provision and they waive any objections that they would otherwise have concerning these matters.

(4) Parties to arbitration under this Agreement will include, by consolidation, joinder or in any other manner, any person other than the Franchisee and any person in privity with or claiming through, in the right of or on behalf of the Franchisee or the Franchisor, unless both parties' consent in writing. If permitted by applicable law, no issue of fact or law is given preclusive or collateral estoppel effect in any arbitration hereunder, except if this issue may have been determined in another proceeding between the Franchisor and the Franchisee or any person in privity with or claiming through, in the right of or on behalf of the Franchisee or the Franchisor.

(5) The parties agree that any arbitration arising out of a dispute relating to this Agreement is only a matter between the Franchisor and the Franchisee and no other franchisees. The Franchisee agrees not to join or attempt to join other franchisees, licensees, or other third parties in any arbitration or attempted litigation against the Franchisor and to refrain from participating in any "class action" litigation or arbitration proposed or asserted by one (1) or more franchisees.

(6) Franchisor's and Franchisee's rights hereunder are cumulative and no exercise or enforcement by Franchisor or Franchisee or any right or remedy hereunder will preclude the exercise or enforcement by Franchisor or Franchisee of any other right or remedy hereunder or which Franchisor or Franchisee are entitled by law to enforce.

(7) Except with respect to Franchisee's obligation to indemnify Franchisor pursuant to Section 13(2) herein, Franchisor and Franchisee waive, to the fullest extent permitted by law, any right to or claim for any punitive or exemplary damages against the other and agree that, in the

event of a dispute between Franchisor and Franchisee, the party making a claim is limited to recovery of any actual damages sustained by it.

(8) Nothing contained in this Agreement will bar Franchisor or Franchisee from obtaining a temporary restraining order or preliminary injunctive relief against threatened or actual conduct that would cause Franchisor or Franchisee irreparable loss or damages. The sole remedy of the enjoined party, in the event of the entry of an injunction, will be the dissolution of the injunction, if warranted after a hearing is held (all claims for damages by reason of the wrongful issuance of any this injunction being expressly waived by this Agreement). Franchisee also agrees that the court may issue a temporary restraining order or preliminary injunction that is mandatory in nature if this order or relief is necessary to ensure the operation of Franchisee's Restaurant Brokerage Business as a We Sell Restaurants® Restaurant Brokerage Business pursuant to the terms of this Agreement. Any action is brought as provided in Section 21(1) below.

ITEM 21 - MISCELLANEOUS

(1) Except if governed by the United States Trademark Act of 1946 (Lanham Act, 15 U.S.C. Sections 1051 et seq.) or other applicable federal law, this Agreement is interpreted under the laws of the State of Georgia, and any dispute between the parties is governed by and determined in accordance with the substantive laws of the State of Georgia, which laws will prevail in the event of any conflict of law; provided, however, the parties expressly agree that any dispute arising out of Franchisee's failure to comply with Section 15.2 shall be governed by the law of the State in which Franchisee's Restaurant Brokerage Business is operated. The Franchisee and the Franchisor have negotiated regarding a forum in which to resolve any disputes which may arise between them and have agreed to select a forum to promote stability in their relationship. Therefore, if a claim is asserted in any legal proceeding involving the Franchisee, its officers or directors and the Franchisor, its officers, directors, shareholders, members, employees or Affiliates, both parties agree that the exclusive venue for disputes between them is in the State of Georgia and each waive any objection either may have to the personal jurisdiction of or venue in the State of Georgia. The Franchisee irrevocably submits to the jurisdiction of its courts and waives any objection the Franchisee may have to either the jurisdiction or venue in its court.

(2) All provisions of this Agreement are severable, and this Agreement is interpreted and enforced as if all completely invalid or unenforceable provisions were not contained herein; all partially valid and enforceable provisions is enforced if they are valid and enforceable.

(3) If either party institutes a legal proceeding, including court proceedings or arbitration, and prevails entirely or in part in any action at law or in equity against the other party based entirely or in part on the terms of this Agreement, the prevailing party is entitled to recover from the losing party, in addition to any judgment, reasonable attorneys' fees, court costs and all of the prevailing party's expenses in connection with any action at law.

(4) No failure, forbearance, neglect or delay of any kind on the part of the Franchisor in connection with the enforcement or exercise of any rights under this Agreement will affect or diminish the Franchisor's right to strictly enforce and take full benefit of each provision of this Agreement at any time, whether at law for damages, in equity for injunctive relief or specific

performance, or otherwise. No custom, usage or practice with regard to this Agreement by the Franchisee or the Franchisor's other franchisees will preclude the strict enforcement of this Agreement in accordance with its literal terms. No waiver by the Franchisor of performance of any provision of this Agreement constitutes or may be implied as a waiver of the Franchisor's right to enforce that provision at any future time. No interpretation, change, termination or waiver of any provision of this Agreement, and no consent or approval under this Agreement, is binding upon the Franchisee or the Franchisor or effective unless in writing signed by the Franchisee and the Franchisor's CEO, President or a Vice President, except that a waiver need be signed only by the party waiving.

(5) This Agreement, together with the Operations Manual, any written related agreements, all Exhibits and Attachments constitute the entire understanding and agreement between the parties hereto and supersedes all prior negotiations, understandings, representations, and agreements, whether oral or written, pertaining to this Agreement, License, System or Restaurant Brokerage Business. Nothing in this or in any related agreement, however, is intended to disclaim the representations we made in the franchise disclosure document that we furnished to you.

You acknowledge that you are entering into this Agreement as a result of your own independent investigation of our franchised business and not as a result of any representations about us made by our members, officers, directors, employees, agents, representatives, independent contractors, or franchisees that are contrary to the terms set forth in this Agreement, or in any disclosure document, prospectus, or other similar document required or permitted to be given to you pursuant to applicable law.

(6) Neither party is liable for any loss or damage due to any delay in the due performance of the terms hereof (except for the payment of money) by reason of strikes, lockouts and other labor relations, fires, riots, wars, embargoes and civil commotion, or acts of God (“**Force Majeure Event**”). Any delay will extend performance only so long as this event is in progress except this Force Majeure Event will not affect or change Franchisee's obligation to pay Royalty Fees or FMAF contributions when due. Notwithstanding the foregoing, if there is a Force Majeure Event, Franchisor, may in its sole discretion, elect to waive the Royalty Fees or FMAF contributions during the period of delay caused by the Force Majeure Event or a shorter period.

(7) The Franchisee will sign and deliver any further instruments, contracts, forms and other documents, and will perform any further acts, as may be necessary or desirable, to carry out, complete and perform all terms, covenants and obligations herein contained. The Franchisee hereby irrevocably appoints the Franchisor as its attorney, and hereby empowers it to sign any instruments regarding the Marks for and in the Franchisee's name to give full effect to Sections ITEM 11, ITEM 13, ITEM 16, and ITEM 18 of this Agreement. The Franchisee hereby declares that the powers of attorney herein granted may be exercised during any subsequent legal incapacity on its part.

(8) This Agreement is binding upon, and subject to ITEM 16 herein, will inure to the benefit of, the Franchisee's successors and permitted assigns.

(9) This Agreement may only be modified or amended by a written document signed by the Franchisee and the Franchisor. The Franchisee acknowledges that the Franchisor may modify its standards and specifications, and operating and marketing techniques set forth in the Operations Manual unilaterally under any conditions and to the extent in which the Franchisor, in its sole discretion, deems necessary to protect, promote, or improve the Marks, and the quality of the System, but under no circumstances will these modifications be made arbitrarily without this determination. Notwithstanding anything herein to the contrary, The Franchisor will have the right unilaterally to reduce the scope of any covenants of the Franchisee contained in this Agreement upon notice to the Franchisee, whereupon the Franchisee will comply therewith as so modified.

(10) Periodically, the Franchisor will have the right to delegate the performance of any portion or all of its obligations and duties under this Agreement to third parties, whether the same are agents of the Franchisor or independent contractors which the Franchisor has contracted with to provide these services. The Franchisee agrees in advance to any delegation by the Franchisor of any portion or all of its obligations and duties under this Agreement.

(11) This Agreement will be executed in multiple copies, each of which will be deemed an original. The preambles are a part of this Agreement, which constitutes the entire agreement of the parties, and there are no other oral or written understandings or agreements between Franchisor and Franchisee relating to the subject matter of this Agreement. Nothing in this Agreement is intended, nor will be deemed, to confer any rights or remedies upon any person or legal entity not a party hereto. The headings of the several sections and paragraphs of this Agreement are for convenience only and do not define, limit or construe the contents of such sections or paragraphs. The following provisions apply to and govern the interpretation of this Agreement, the parties' rights under this Agreement, and the relationship between the parties:

1. The term “**Franchisee**” as used herein is applicable to one or more persons, a corporation, limited liability company, a partnership or other business entity, as the case may be, and the singular usage (where applicable) includes the plural and the masculine and neuter usages (where applicable) include the other and the feminine. The term “**Lease**” will include a sublease, and a renewal or extension of a lease or sublease.

2. Subject to Franchisor's rights under trademark laws, the parties' rights under this Agreement and the relationship between the parties are governed by, and will be interpreted in accordance with, Section (1). Franchisee and its Affiliates waive, to the fullest extent permitted by law, the rights and protections that might be provided through the laws of any other country or other jurisdiction.

3. When calculating the date upon which, or the time within which, any act is to be done pursuant to this Agreement, the date which is the reference date in calculating this period is excluded. If the last day of this period is a non-business day, the period in question will end on the next business day.

4. The parties recognize, and any referee, arbitrator and judge, is affirmatively advised, that certain provisions of this Agreement reflect rights of Franchisor and Franchisee to take (or refrain from taking) certain actions in exercise of its business

judgment based on its assessment of the long-term interests of the System or Restaurant Brokerage Business as a whole. Where such right has been exercised and is supported by the business judgment of Franchisor or Franchisee (“**Business Judgment**”), a referee, arbitrator or judge, cannot substitute his or her judgment for the judgment so exercised by Franchisor or Franchisee, even if another reasonable or even arguably preferable alternatives are available.

5. Whenever this Agreement provides that Franchisor has a certain right, that right is absolute, and the parties intend that its exercise of that right will not be subject to any limitation or review. Franchisor has the right to operate, administrate, develop, and change the System in any manner that is not specifically precluded by the provisions of this Agreement.

6. Time is of the essence of this Agreement and of every part thereof.

ITEM 22 - ACKNOWLEDGEMENT

BEFORE SIGNING THIS AGREEMENT, THE FRANCHISEE SHOULD READ IT AND THE DISCLOSURE DOCUMENT SUPPLIED TO THE FRANCHISEE CAREFULLY WITH THE ASSISTANCE OF LEGAL COUNSEL.

THE FRANCHISEE ACKNOWLEDGES THAT:

(i) NO STATEMENT, REPRESENTATION OR OTHER ACT, EVENT OR COMMUNICATION, EXCEPT AS SET FORTH IN THIS DOCUMENT AND IN ANY DISCLOSURE DOCUMENT SUPPLIED TO THE FRANCHISEE, IS BINDING ON THE FRANCHISOR IN CONNECTION WITH THE SUBJECT MATTER OF THIS AGREEMENT; AND

(ii) FRANCHISEE HAD A COMPLETE COPY OF THIS AGREEMENT, WITH ALL BLANKS FILLED IN, IN ITS POSSESSION FOR A PERIOD OF TIME NOT LESS THAN SEVEN (7) DAYS, DURING WHICH TIME THE FRANCHISEE HAD THE OPPORTUNITY TO SUBMIT THIS AGREEMENT FOR PROFESSIONAL REVIEW AND ADVICE OF THE FRANCHISEE'S CHOOSING BEFORE FREELY EXECUTING THIS AGREEMENT. FRANCHISEE ACKNOWLEDGES THAT IT HAS HAD AMPLE TIME AND OPPORTUNITY TO INVESTIGATE THE FRANCHISOR'S BUSINESS AND TO CONSULT WITH LEGAL AND FINANCIAL ADVISORS OF ITS CHOICE; AND

(iii) FRANCHISEE HAS CONDUCTED AN INDEPENDENT INVESTIGATION OF THE SYSTEM AND RECOGNIZES THAT THE BUSINESS VENTURE CONTEMPLATED BY THIS AGREEMENT AND ITS SUCCESS INVOLVES SUBSTANTIAL BUSINESS RISK AND WILL BE LARGELY DEPENDENT UPON THE ABILITY OF FRANCHISEE AS AN INDEPENDENT BUSINESS PERSON AND ITS ACTIVE PARTICIPATION IN THE DAILY AFFAIRS OF THE BUSINESS. FRANCHISEE HEREBY ASSUMES THE RESPONSIBILITY FOR THE SUCCESS OR FAILURE OF THE BUSINESS VENTURE; AND

(iv) FRANCHISEE UNDERSTANDS THAT FRANCHISOR HAS AFFILIATES, SOME OF WHICH OPERATE A WE SELL RESTAURANTS RESTAURANT BROKERAGE BUSINESS, AND FRANCHISEE REPRESENTS THAT FRANCHISEE HAS NOT BEEN PROVIDED WITH ANY FINANCIAL OR OPERATING INFORMATION ABOUT ANY AFFILIATE OF FRANCHISOR, NOR HAS FRANCHISEE RELIED UPON ANY OTHER INFORMATION FRANCHISEE MAY HAVE OBTAINED FROM ANY OTHER SOURCE WITH REGARD TO THE FINANCIAL OR OPERATING CONDITIONS OF ANY AFFILIATE OF FRANCHISOR; AND

(v) FRANCHISOR EXPRESSLY DISCLAIMS THE MAKING OF, AND FRANCHISEE ACKNOWLEDGES THAT IT HAS NOT RECEIVED, ANY ASSURANCE, WARRANTY OR GUARANTEE, EXPRESSED OR IMPLIED, AS TO THE POTENTIAL VOLUME, PROFITS, EARNINGS OR SUCCESS OF THE BUSINESS VENTURE CONTEMPLATED BY THIS AGREEMENT.

This entire Agreement, including corrections, changes, and all attachments and addenda, will only be binding upon the Franchisor when signed or initialed by the Franchisor's authorized representative.

[Signatures on following page.]

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

WSR FRANCHISE, LLC

Date: _____

By: _____
Title: _____

FRANCHISEE:

Date: _____

Individually

OR:

(if a corporation or partnership)

Company Name

Date: _____

By: _____
Title: _____

**ATTACHMENT A
TO FRANCHISE AGREEMENT**

TERRITORY, QUOTAS, BRANCH OFFICES & INITIAL FEES

(i) Territory.

The Territory set forth in Section 5(1) of the Agreement is: _____

(ii) Annual Minimum Quota.

By the end of each year during the Initial Term, Franchisee shall satisfy all of the following Quotas:

Anniversary Date of Agreement	Minimum Transactions*	Minimum Exclusive Listings	Minimum Commission/Fees Collected
Year 1	4	12	\$50,000
Year 2	6	16	\$75,000
Years 3-10	8	20	\$100,000

*A minimum transaction, unless otherwise approved by Franchisor must be at least a fifteen percent (15%) commission royalty on each Transaction. The minimum fee to be paid to Franchisor shall be the greater of: (a) ten percent (10%) of the Franchisee's commission, or (b) One Thousand Dollars (\$1,000.00) for each Transaction by Franchisee. All royalties are due to Franchisor in full within one (1) month following the closing of the applicable Transaction, regardless of when Franchisee actually receives the payment of the applicable commission. The foregoing minimums shall not apply in any instance where you are a co-broker for a transaction. In such case, the minimum commission payable to Franchisor shall be the greater of: (i) five percent (5%) of sales price for the applicable transaction; or (ii) Five Hundred Dollars (\$500.00) for each co-brokered transaction.

For purposes of this Attachment A to Franchise Agreement, a “**Transaction**” is defined as an event in which Franchisee collects a commission, including selling a Restaurant or completing a lease transaction for a Restaurant operator or any revenue generated by the franchisee through its practice.

FRANCHISOR:

FRANCHISEE:

WSR FRANCHISE, LLC

By: _____
Title: _____

By: _____
Title: _____

**ATTACHMENT B
TO FRANCHISE AGREEMENT**

GUARANTY AND ASSUMPTION OF FRANCHISEE'S OBLIGATIONS

In consideration of, and as an inducement to, the execution of the Franchise Agreement signed between _____ and WSR Franchise, LLC (“**Franchisor**”) on _____, 20__ (“**Agreement**”), each of the undersigned hereby personally and unconditionally:

1. Guarantees to the Franchisor and its successors and assigns, for the Initial Term, including any Interim Period thereof, that _____ (“**Franchisee**”) will punctually pay and perform each and every undertaking, agreement and covenant set forth in the Agreement; and

2. Agrees to be personally bound by and personally liable for the breach of each and every provision in the Agreement, including but not limited to the terms of ITEM 15.

Each of the undersigned waives the following:

3. Acceptance and notice of acceptance by the Franchisor of the foregoing undertaking;

4. Notice of demand for payment of any indebtedness or nonperformance of any obligations hereby guaranteed;

5. Protest and notice of default to any party with respect to the indebtedness or nonperformance of any obligations hereby guaranteed;

6. Any right he or she may have to require that any action be brought against Franchisee or any other person as a condition of liability; and

7. Any and all other notices and legal or equitable defenses to which he or she may be entitled.

Each of the undersigned consents and agrees that:

8. His or her direct and immediate liability under this guaranty is joint and several;

9. He or she will render any payment or performance required under the Agreement upon demand if Franchisee fails or refuses punctually to do so;

10. This liability will not be contingent or conditioned upon pursuit by the Franchisor of any remedies against Franchisee or any other person; and

11. This liability will not be diminished, relieved or otherwise affected by any extension of time, credit or other indulgence which the Franchisor may periodically grant to Franchisee or to any other person, including without limitation the acceptance of any partial payment or performance, or the compromise or release of any claims, none of which will in any way modify or amend this guaranty, which is continuing and irrevocable during the Initial Term, including any Interim Period thereof.

IN WITNESS WHEREOF, each of the undersigned has affixed his or her signature effective on the same day and year as the Agreement was signed.

WITNESS

GUARANTOR(S)

ACKNOWLEDGMENT

Franchisee, and its shareholders, members and/or partners, as applicable, jointly and severally acknowledge that they have carefully read this Agreement and all other related documents to be executed concurrently or in conjunction with the execution hereof, that they have obtained the advice of counsel in connection with entering into this Agreement, that they understand the nature of this Agreement, and that they intend to comply herewith and be bound hereby.

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

ACCEPTED on this ____ day of _____, 20____.

FRANCHISOR:

WSR FRANCHISE, LLC

By: _____

Title: _____

FRANCHISEE:

By: _____

Title: _____

An Individual

An Individual

**ATTACHMENT C
TO FRANCHISE AGREEMENT
STATEMENT OF OWNERSHIP**

Franchisee: _____

Trade Name (if different from above): _____

Form of Ownership
(Check One)

_____ Individual _____ Partnership _____ Corporation _____ Limited Liability Company

If a Partnership, provide name and address of each partner showing percentage owned, whether active in management, and indicate the state in which the partnership was formed.

If a Corporation, give the state and date of incorporation, the names and addresses of each officer and director, and list the names and addresses of every shareholder showing what percentage of stock is owned by each.

If a Limited Liability Company, give the state and date of formation, the name and address of the manager(s), and list the names and addresses of every member and the percentage of membership interest held by each member.

Franchisee acknowledges that this Statement of Ownership applies to the Restaurant Brokerage Business authorized under the Franchise Agreement.

Use additional sheets if necessary. Any and all changes to the above information must be reported to the Franchisor in writing.

Date: _____ Name: _____

**ATTACHMENT D
TO FRANCHISE AGREEMENT**

**AUTHORIZATION AGREEMENT FOR PREARRANGED PAYMENTS
(DIRECT DEBITS)
BY AND BETWEEN WSR FRANCHISE, LLC
AND**

_____ (**“Franchisee”**)

The undersigned depositor (**“Depositor”**) hereby authorizes WSR Franchise, LLC (**“Company”**) to initiate debit entries and/or credit correction entries to the undersigned's checking and/or savings account(s) indicated below and the depository designated below (**“Depository”**) to debit this account pursuant to Company's instructions.

Depository	Branch
Address	City, State, Zip Code
Bank Transit/ABA Number	Account Number

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

Depositor	Depository
By: _____	By: _____
Title: _____	Title: _____
Date: _____	Date: _____

**ATTACHMENT E
TO FRANCHISE AGREEMENT**

**COLLATERAL ASSIGNMENT OF TELEPHONE NUMBERS AND
TELEPHONE LISTINGS AND INTERNET ADDRESSES**

THIS ASSIGNMENT is entered into this ____ day of _____, 20____, in accordance with the terms of the WSR Franchise, LLC Franchise Agreement (“**Franchise Agreement**”) between _____ (“**Franchisee**”) and WSR Franchise, LLC “**Franchisor**”), executed concurrently with this Assignment, under which Franchisor granted Franchisee the right to own and operate a Restaurant Brokerage Business (“**Franchise Business**”) located in _____.

FOR VALUE RECEIVED, Franchisee hereby assigns to Franchisor (1) those certain telephone numbers and regular, classified or other telephone directory listings (collectively, the “**Telephone Numbers and Listings**”) and (2) those certain Internet website addresses or other internet source identifiers including social media accounts and all future media (collectively, “**URLs**”) associated with Franchisor's trade and service marks and used periodically in connection with the operation of the Franchise Business at the address provided above. This Assignment is for collateral purposes only and, except as specified herein, Franchisor will have no liability or obligation of any kind whatsoever arising from or in connection with this Assignment, unless Franchisor will notify the telephone company and/or the listing agencies with which Franchisee has placed telephone directory listings (all of these entities are collectively referred to herein as “**Telephone Company**”) and/or Franchisee's internet service provider (“**ISP**”) to effectuate the assignment pursuant to the terms hereof.

Upon termination or expiration of the Franchise Agreement (without the extension of Franchisee's rights to operate the Franchise Business), Franchisor will have the right and is hereby empowered to effectuate the assignment of the Telephone Numbers and Listings and the URLs, and, in this event, Franchisee will have no further right, title or interest in the Telephone Numbers and Listings and URLs, and will remain liable to the Telephone Company and the ISP for all past due fees owing to the Telephone Company and the ISP on or before the effective date of the assignment hereunder.

Franchisee agrees and acknowledges that as between Franchisor and Franchisee, upon termination or expiration of the Franchise Agreement, Franchisor will have the sole right to and interest in the Telephone Numbers and Listings and URLs, and Franchisee irrevocably appoints Franchisor as Franchisee's true and lawful attorney-in-fact, which appointment is coupled with an interest, to direct the Telephone Company and the ISP to assign same to Franchisor, and sign any documents and take any actions as may be necessary to effectuate the assignment. Upon such event, Franchisee will immediately notify the Telephone Company and the ISP to assign the Telephone Numbers and Listings and URLs to Franchisor. If Franchisee fails to promptly direct the Telephone Company and the ISP to assign the Telephone Numbers and Listings and URLs to Franchisor, Franchisor will direct the Telephone Company and the ISP to effectuate the assignment contemplated under this Agreement to Franchisor. The parties agree that the Telephone Company and the ISP may accept Franchisor's written direction, the Franchise Agreement or this Assignment

as conclusive proof of Franchisor's exclusive rights in and to the Telephone Numbers and Listings and URLs upon the termination or expiration and that this assignment is made automatically and effective immediately upon Telephone Company's and ISP's receipt of this notice from Franchisor or Franchisee. The parties further agree that if the Telephone Company or the ISP requires that the parties sign the Telephone Company's or the ISP's assignment forms or other documentation at the time of termination or expiration of the Franchise Agreement, Franchisor's execution of these forms or documentation on behalf of Franchisee will effectuate Franchisee's consent and agreement to the assignment. The parties agree that at any time after the date hereof they will perform any acts and sign and deliver any documents that may be necessary to assist in or accomplish the assignment described herein upon termination or expiration of the Franchise Agreement.

ASSIGNEE:

ASSIGNOR:

WSR FRANCHISE, LLC

By: _____

By: _____

Its: _____

Its: _____

ATTACHMENT F

NONDISCLOSURE AND NONCOMPETITION AGREEMENT

This Nondisclosure and Noncompetition Agreement (“**Agreement**”) is made and entered into this ____ day of _____, 20__ by and between **WSR Franchise, LLC**, a Georgia limited liability company (“**Company**”), located at 5055 N. Oceanshore Boulevard, Palm Coast, Florida 32137, and _____ (“**Associate**”), who resides or has a principal place of address at _____.

RECITALS

A. The Company is engaged in the business of selling franchises for the operation of a business offering restaurant brokerage services and site selection services (“**Franchise Business**”). The Franchise Business is operated under the Company's trademark “**WE SELL RESTAURANTS®**” and other service marks, trademarks, logo types, designs, and other commercial symbols (collectively “**Marks**”); and

B. The Company has developed methods for establishing, operating and promoting Franchise Businesses pursuant to the Company's distinctive business format, plans, methods, data, processes, supply systems, marketing systems, formulas, techniques, designs, layouts, operating procedures, Marks and information and know-how of the Company (“**Confidential Information**” and “**Trade Secrets**”) and any Confidential Information and Trade Secrets as may be further developed from periodically by the Company; and

C. The Company and its affiliates have established substantial goodwill and an excellent reputation with respect to the quality of its System, which goodwill and reputation have been and will continue to be of major benefit to the Company; and

D. Associate desires to become involved with the Company or a franchisee of the Company in the capacity of an officer, partner, director, agent, manager, employee, Designated Business Manager or as a beneficial owner of the Franchise Business or is an immediate family member of a principal owning an interest in the Franchise Business and will become privileged as to certain Confidential Information and Trade Secrets. Associate may or may not have signed the Franchise Agreement or Guaranty and Assumption of Franchisee's Obligations form; and

E. Associate and the Company have reached an understanding with regard to nondisclosure by Associate of Confidential Information and Trade Secrets and with respect to noncompetition by Associate with the Company and other franchisees of the Company. Associate agrees to the terms of this Agreement as partial consideration for the Company's willingness to allow Associate to engage in a business relationship with Company or a franchisee of the Company using the Company's Confidential Information and Trade Secrets.

NOW THEREFORE, in consideration of the foregoing, the mutual promises contained herein and other good and valuable consideration, the receipt and sufficiency of which are acknowledged, Associate and the Company, intending legally to be bound, agree as follows:

1. Definitions.

(a) “**Associate**” means the individual or entity described on page 1 of this Agreement and the Associate's managers, officers, beneficial owners, directors, employees, partners, members, principals and immediate family members.

(b) “**Competitive Business**” as used in this Agreement means any business operating in competition with or similar to the Franchise Business; provided, however, Associate will not be prohibited from owning not more than a total of five percent (5%) of the stock of any company which is subject to the reporting requirements of the U.S. Securities and Exchange Act of 1934.

(c) “**Confidential Information**” means all knowledge, know-how, standards, formulas, methods and procedures related to the establishment and operation of the Franchise Business and includes all records pertaining to customers, suppliers, and other service providers of, and/or related in any way to, the Franchise Business including, all databases (whether in print, electronic or other form), all names, addresses, phone numbers, e-mail addresses, customer purchase records, mail lists, manuals, promotional and marketing materials, marketing strategies and any other data and information which the Company or its affiliates designates as confidential including all information contained in the Company's Operations Manual, which may be provided as one or more separate manuals, written instructional guides, CD Rom, or other communications from the Company or its affiliates, which may be changed or supplemented from periodically.

(d) “**Franchise Agreement**” means the franchise agreement between Company and _____ dated _____ as amended or renewed from periodically.

(e) “**Territory**” has the meaning defined in the Franchise Agreement.

(f) “**Term**” has the meaning defined in the Franchise Agreement.

(g) “**Trade Secret(s)**” means information, including a formula, pattern, compilation, program, device, method, technique or process related to the Franchise Business that both derives independent 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 is the subject of efforts that are reasonable under the circumstances to maintain its secrecy.

2. Confidential Information and Trade Secrets. Associate and the Company acknowledge that the Confidential Information and Trade Secrets which are developed and utilized in connection with the operation of the Franchise Business are unique and the exclusive property of the Company or its affiliates. Associate acknowledges that any unauthorized disclosure or use of the Confidential Information and Trade Secrets would be wrongful and would cause irreparable injury and harm to the Company or its affiliates. Associate further acknowledges that the Company or its affiliates has expended a great amount of effort and money in obtaining and developing the Confidential Information and Trade Secrets, that the Company or its affiliates has taken numerous precautions to guard the secrecy of the Confidential Information and Trade Secrets, and that it would be very costly for competitors to acquire or duplicate the Confidential Information and Trade Secrets.

3. Nondisclosure of Confidential Information and Trade Secrets. During the Term and any renewal Term of the Franchise Agreement and for a period of two (2) years after the expiration or termination of the Franchise Agreement (unless the information is a Trade Secret in which case the requirements in this Section 3 will remain in place for as long as the information constitutes a Trade Secret), Associate will not at any time, publish, disclose, divulge or in any manner communicate to any person, firm, corporation, association, partnership or any other entity whatsoever or use, directly or indirectly, for its own benefit or for the benefit of any person, firm, corporation or other entity other than for the use of the Company or the Franchise Business, any of the Confidential Information or Trade Secrets of the Company or its affiliates.

4. Exceptions to Disclosing Confidential Information. Notwithstanding the foregoing, the restrictions on the disclosure and use of the Confidential Information will not apply to the following: (a) information that was in the public domain before being communicated to the Associate through no fault of the Associate; (b) information that entered the public domain after it was communicated to the Associate through no fault of the Associate; (c) information that was in the Associate's possession free of any obligation of confidence at the time it was communicated to the Associate; or (d) the disclosure of the Confidential Information in judicial or administrative proceedings if the Associate is legally compelled to disclose the information, if the Associate has notified the Franchisor before disclosure and used the Associate's best efforts, and afforded the Franchisor the opportunity, to obtain an appropriate protective order or other assurance satisfactory to the Franchisor of confidential treatment for the information required to be so disclosed.

5. Noncompetition Covenant. Associate acknowledges that the Company must be protected against the potential for unfair competition by Associate's use of the Confidential Information and Trade Secrets in direct competition with the Company. Associate further acknowledges that the Confidential Information and Trade Secrets would not have been divulged to the Associate absent the Associate's agreement to strictly comply with the provisions of this Agreement. Associate therefore agrees that other than the Franchise Business licensed under the Franchise Agreement, Associate will not during the Term and renewal Term of the Franchise Agreement:

- (a) have any direct or indirect interest as a disclosed or beneficial owner in a Competitive Business;
- (b) perform services as a manager, officer, beneficial owner, director, principal, employee, partner, member, consultant, representative, agent or otherwise for a Competitive Business; or
- (c) divert or attempt to divert any business related to, or any customer or account of the Franchise Business, the Company's business, the business of any affiliate of the Company or any other franchisee's business, by direct inducement or otherwise.

6. Reserved.

THE PARTIES HAVE ATTEMPTED IN THIS AGREEMENT TO LIMIT THE ASSOCIATE'S RIGHTS ONLY AS NECESSARY TO PROTECT THE COMPANY FROM UNFAIR COMPETITION. THE PARTIES HEREBY EXPRESSLY AGREE THAT IF THE SCOPE OF ENFORCEABILITY OF THE PROVISIONS OF SECTION 5 IS DISPUTED AT ANY TIME BY THE ASSOCIATE, A COURT OR ARBITRATOR, AS THE CASE MAY BE, MAY MODIFY SECTION 5, IF IT DEEMS NECESSARY, TO MAKE THESE PROVISIONS ENFORCEABLE

UNDER APPLICABLE LAW. THE ASSOCIATE EXPRESSLY ACKNOWLEDGES THAT THE ASSOCIATE POSSESSES SKILLS AND ABILITIES OF A GENERAL NATURE AND HAS OTHER OPPORTUNITIES TO EXPLOIT THESE SKILLS. CONSEQUENTLY, ENFORCEMENT OF THE COVENANTS SET FORTH ABOVE WILL NOT DEPRIVE ASSOCIATE OF THE ABILITY TO EARN A LIVING.

7. **Injunction.** Associate hereby acknowledges and agrees that in the event of any breach or threatened breach of this Agreement, the Company will be authorized and entitled to seek, from any court of competent jurisdiction, preliminary and permanent injunctive relief in addition to any other rights or remedies to which the Company may be entitled. Associate agrees that the Company may obtain this injunctive relief without posting a bond or bonds. Associate's sole remedy, in the event of the entry of injunctive relief, will be dissolution of the injunctive relief, if warranted, upon a hearing duly had; provided, however, that all claims for damages by reason of the wrongful issuance of any injunction are expressly waived by Associate. In any litigation, arbitration or other proceeding concerning the entry of any requested injunction against Associate, Associate, for value, voluntarily waives any defenses Associate might otherwise have under the law of the jurisdiction in which the matter is being litigated, arbitrated or otherwise relating to any claimed "prior breach" on the part of the Company; it being specifically understood and agreed between the parties that no action or lack of action on the part of the Company will entitle or permit the Associate to disclose any Confidential Information and Trade Secrets in any circumstances.

8. **Effect of Waiver.** The waiver by Associate or the Company of a breach of any provision of this Agreement will not operate or be construed as a waiver of any subsequent breach thereof.

9. **Binding Effect.** This Agreement is binding upon and inure to the benefit of Associate and the Company and their respective heirs, executors, representatives, successors and assigns.

10. **Entire Agreement.** This instrument contains the entire agreement of Associate and the Company relating to the matters set forth herein. It may not be changed verbally, but only by an agreement in writing, signed by the party against whom enforcement of any waiver, change, modification, extension or discharge is sought.

11. **Governing Law.** This instrument is governed by and will be construed under the laws of the State of Georgia.

12. **Jurisdiction and Venue.** In the event of a breach or threatened breach by Associate of this Agreement, Associate hereby irrevocably submits to the jurisdiction of the state and federal courts of Georgia, and irrevocably agrees that venue for any action or proceeding will be in the state and federal courts of Georgia. Both parties waive any objection to the jurisdiction of these courts or to venue in the state and federal courts of Georgia. Notwithstanding the foregoing, in the event that the laws of the state where the Associate resides prohibit the aforesaid designation of jurisdiction and venue, then that other state's laws will control.

13. **Severability.** If any provision of this Agreement is held, declared or pronounced void, voidable, invalid, unenforceable or inoperative for any reason, by any court of competent jurisdiction, government authority or otherwise, that holding, declaration or pronouncement will not affect adversely any other provisions of this Agreement which will otherwise remain in full force and effect.

14. Attorneys' Fees. In any action at law or in equity to enforce any of the provisions or rights under this Agreement, the unsuccessful party in the litigation, as determined by the court in a final judgment or decree, will pay the successful party or parties all costs, expenses and reasonable attorneys' fees incurred by the successful party or parties (including without limitation those costs, expenses and fees on any appeals), and if the successful party recovers judgment in any action or proceeding, the costs, expenses and attorneys' fees will be included as part of the judgment.

IN WITNESS WHEREOF, the parties have signed this Agreement on the date first above written.

COMPANY:
WSR FRANCHISE, LLC

ASSOCIATE:

By: _____
Title: _____
Date: _____

By: _____
Print Name: _____
Date: _____

ATTACHMENT G

RENEWAL AND GENERAL RELEASE

In accordance with Item 4 of the Franchise Agreement between WSR Franchise, LLC, a Georgia limited liability company (“Franchisor”), and _____ (“Franchisee”), the franchise agreement is hereby renewed for a ten (10) year term effective _____, 20__.

In consideration of the renewal of the Franchise Agreement by Franchisor and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the undersigned does hereby release, remise and forever discharge Franchisor, its agents, officers, directors, shareholders and assigns, from and jointly and severally agree to indemnify and hold Franchisor harmless from and against any and all liability including reasonable attorneys’ fees, with respect to, any and all claims, demands, causes of action, actions, liens and suits of every kind and nature which Franchisee may have against the Franchisor or which Franchisee may now have or may have had at the time heretofore, or may have at any time hereafter, arising or resulting from, or in any manner pertaining or incidental to, any and every matter, thing or event, known or unknown, occurring or failing to occur, at any time in the past up to and including the date hereof; and, more particularly, but without in any way limiting the generality of the foregoing, Franchisee does hereby release, remise and forever discharge, and will so indemnify and hold harmless, Franchisor from and against any and all claims, demands, causes of action, actions, liens and suits of every kind and nature which Franchisee may now have or may have had at any time heretofore, or may have at any time hereafter, arising or resulting from, or in any manner pertaining to the Franchisee Agreement with Franchisor and Franchisor’s performance of its duties during the initial term thereof.

This release expressly excludes claims arising from representations in Franchisor’s FDD or its exhibits or its amendments thereto.

This Renewal and Release shall be binding upon and shall inure to the benefit of Franchisor, its successor and assigns.

IN WITNESS WHEREOF, the undersigned have executed and delivered this Renewal and General Release as of the _____ day of _____, 20__.

FRANCHISOR:

WSR FRANCHISE, LLC

By: _____
As its: President

FRANCHISEE:

By: _____
As Its: _____

ATTACHMENT H

STATE LAW ADDENDA TO FRANCHISE AGREEMENT

The following modifications are to the WSR FRANCHISE, LLC Franchise Agreement supersede, to the extent then required by valid applicable state law, certain portions of the Franchise Agreement dated _____, 20__.

ILLINOIS

Illinois law shall apply to and govern the Franchise Agreement.

In conformance with Section 4 of the Illinois Franchise Disclosure Act, any provision in a franchise agreement that designates jurisdiction and venue in a forum outside of the State of Illinois is void. However, a franchise agreement may provide for arbitration to take place outside of Illinois.

Franchisee's rights upon Termination and Non-Renewal are set forth in Sections 19 and 20 of the Illinois Franchise Disclosure Act.

In conformance with Section 41 of the Illinois Franchise Disclosure Act, any condition, stipulation or provision purporting to bind any person acquiring any franchise to waive compliance with the Illinois Franchise Disclosure Act **or any other law of Illinois** is void.

INDIANA

Pursuant to Section 23.2-2.7-1(5) of the Indiana Code, a franchise agreement may not contain a provision "requiring a franchisee to prospectively assent to a release, assignment, novation, waiver, or estoppel which purports to relieve any person from liability to be imposed by this chapter or requiring any controversy between the franchisee and the franchisor to be referred to any person, if referral would be binding on the franchisee. This subdivision does not apply to arbitration before an independent arbitrator." If the Agreement contains a provision that is inconsistent with the Indiana Code, the provisions of the Agreement shall be superseded by the Law's requirements.

1. Notwithstanding any provision of the Franchise Agreement to the contrary, Indiana Code, Title 23, Article 2, Chapter 2.7, §1(8), provides that it shall be unlawful to permit a franchisor to fail to renew the franchise without good cause or in bad faith. In addition, Indiana Code, Title 23, Article 2, Chapter 2.7, § 1(8), provides that the Indiana Code shall not prohibit a franchise agreement from providing that the agreement is not renewable upon expiration or that the agreement is renewable if the franchisee meets certain conditions specified in the agreement. To the extent the provisions of the Franchise Agreement are inconsistent with the terms of the Indiana Code, in Indiana the terms of the Indiana Code will control.

2. Notwithstanding any provision of the Franchise Agreement to the contrary, Indiana Code, Title 23, Article 2, Chapter 2.7, § 1(9) provides that it shall be unlawful for any franchise agreement to contain a provision requiring a franchisee to covenant not to compete with the Franchisor for a period longer than three years or in an area greater than the exclusive area granted by the franchise agreement or, in the absence of such a provision in the agreement, an area of reasonable size, up termination of or failure to renew the franchise. To the extent the provisions of the Franchise Agreement are inconsistent with the terms of the Indiana Code, in Indiana the terms of the Indiana Code will control.

3. Pursuant to Section 23.2-2.7-1(10) of the Indiana Code, a franchise agreement may not contain a provision “Limiting litigation brought for breach of the agreement in any manner whatsoever.” If the Agreement contains a provision that is inconsistent with the Indiana Code, the provisions of the Agreement shall be superseded by the Law’s requirements.

Each provision of this Amendment to the Agreement shall be effective only to the extent that the jurisdictional requirements of the Indiana Code are met independently with respect to such provision and without reference to this Amendment to the Agreement.

MARYLAND

1. Section 16(7)3, under the heading “Assignment,” is amended by adding the following language at the end of the section:

The general release required as a condition and assignment/transfer will not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

2. Section 4(4)1, under the heading “Term of Agreement and License,” is amended by adding the following language at the end of the section:

The general release required as a condition of renewal will not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

3. Section 20(1) of the Agreement, under the heading “Arbitration,” and Section 21(1) of the Agreement, under the heading “Miscellaneous,” are amended by the addition of the following:

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

4. Item 20 of the Agreement, under the heading “Acknowledgments,” shall be amended by the following:

The foregoing acknowledgments are not intended to, nor shall they, act as a release, estoppel or waiver of any liability under the Maryland Franchise Registration and Disclosure Law.

6. Each provision of this amendment shall be 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.

NEW YORK

1. Item 1(13) of the Franchise Agreement is revised to add the following:

“The Operations Manual, and any additions, deletions or revisions thereto, will not alter Franchisee’s right and obligations hereunder nor unreasonably increase Franchisee’s obligations or place an excessive economic burden on Franchisee’s operations.”

2. Items 4(4)1 and 16(7)3 of the Franchise Agreement are amended to add the following language immediately following the requirement that Franchisee sign a General Release:

“Provided, however, that all rights Franchisee enjoys 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 thereunder will remain in force; it being the intent of this proviso that the non-waiver provisions of GBL, Section 687.4 and 687.5 be satisfied.”

3. Nothing in the Franchise Agreement should be considered a waiver of any right conferred upon you by New York General Business Law, Sections 680-695.

VIRGINIA

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”, as defined in the Virginia Retail Franchising Act or the laws of Virginia, or to use undue influence to induce a franchisee to surrender any right given to them under the franchise agreement.

If any ground for default or termination stated in a provision of the franchise agreement does not constitute “reasonable cause”, the provision may not be enforceable.

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 them under the franchise, the provision may not be enforceable.

RHODE ISLAND

1. Item 20 of the Agreement, under the heading “Acknowledgments,” shall be amended by the addition of 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. This amendment shall be 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.

WISCONSIN

The Wisconsin Fair Dealership Law, Chapter 135, Wisconsin statutes supersedes any provision of this disclosure document that is inconsistent with that law.

Wisconsin Law [Stat. Section 135.04] may supersede the Franchise Agreement in your relationship with us in the areas of termination and renewal.

Each provision of this addendum to the disclosure document shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Wisconsin Fair Dealership Law, Chapter 135, are met independently without reference to this addendum to the disclosure document.

ACKNOWLEDGMENT:

It is agreed that the applicable foregoing state law addendum, supersedes any inconsistent portion of the Franchise Agreement dated the ____ day of _____, 20____, but only to the extent they are then valid requirements of an applicable and enforceable state law, and for only so long as such state law remains in effect.

DATED this ____ day of _____, 20____.

FRANCHISOR:

FRANCHISEE:

WSR FRANCHISE, LLC

By: _____

By: _____

Title: _____

Title: _____



EXHIBIT C

WSR FRANCHISE, LLC

LIST OF FRANCHISEES AS OF 12/31/2020

EXHIBIT C

LIST OF FRANCHISEES AS OF 12/31/2020

COLORADO

Jeff Marcus
1437 N. Denver Ave., #228
Loveland, CO 80538
(970) 373-8205

John Jordan (owns 3 franchises)
10940 S. Parker Road, #742
Parker, Colorado 80134
(720) 427-5822

FLORIDA

Don Mason (owns 2 franchises)
2840 West Bay Dr #128
Belleair Bluffs, FL 33770
727-470-8423

Ken Eisenband (owns 2 franchises)
9858 Glades Road, Suite D-3, #106
Boca Raton, Florida 33434
(561) 350-3365

David Whitcomb
2217 Royal Lane
Naples, FL 34112
(239) 300-5041

MINNESOTA

Scott Ruby
181840 Zane Street, #332
Elk River, Minnesota 55330
(612) 352-8718

NEW YORK

Mike Kelly (owns 2 franchises)
P.O Box 1167
Smithtown, NY 11787
631-707-5339

NORTH CAROLINA

Justin Scotto (owns 3 franchises)
531 Brentwood Road Suite 234
Denver, NC 28037
(704) 609-4460

TEXAS

David Duce
4610 Cedar Point Drive
Austin, Texas 78723
(512) 773-5272



EXHIBIT D

WSR FRANCHISE, LLC

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

EXHIBIT D
LIST OF STATE ADMINISTRATORS AND
AGENTS FOR SERVICE OF PROCESS

STATE	STATE ADMINISTRATOR	AGENT FOR SERVICE OF PROCESS
CALIFORNIA	Department of Financial Protection & Innovation 320 West 4th Street, Suite 750 Los Angeles 90013-2344 1-866-275-2677	Department of Financial Protection & Innovation 320 West 4th Street, Suite 750 Los Angeles 90013-2344 1-866-275-2677
CONNECTICUT	Securities & Business Investment Division Department of Banking 260 Constitution Plaza Hartford, CT 06103 860-240-8299	Connecticut Banking Commissioner Same Address
FLORIDA	Department of Agriculture & Consumer Services P.O. Box 6700 Tallahassee, FL 32314-6700 850-245-6000	Robin Gagnon 1955 North Central Avenue Flagler Beach, Florida 32136
GEORGIA	Office of Consumer Affairs 2 Martin Luther King Drive, S.E. Plaza Level, East Tower Atlanta, GA 30334 404-656-3790	Patrick Norris 1100 Peachtree St, NE, Ste 690 Atlanta, Georgia 30309
ILLINOIS	Illinois Attorney General 500 South Second Street Springfield, IL 62706 217-782-4465	Illinois Attorney General Same Address
INDIANA	Secretary of State Franchise Section 200 West Washington St, Suite 201 Indianapolis, IN 46204 317-232-6681	Indiana Secretary of State Same Address
KENTUCKY	Kentucky Attorney General's Office Consumer Protection Division 1024 Capitol Center Drive Frankfort, KY 40602 502-696-5389	Same
MARYLAND	Office of the Attorney General Securities Division 200 St. Paul Place Baltimore, MD 21202-2020 410-576-636	Maryland Securities Commissioner Same Address

STATE	STATE ADMINISTRATOR	AGENT FOR SERVICE OF PROCESS
MICHIGAN	Michigan Office of Attorney General Consumer Protection Division Franchise Section G. Mennen Williams Building, 1st Floor 525 W. Ottawa Street Lansing, MI 48933 517-373-7117	Michigan Dept of Atty General's Office Consumer Protection Division 525 West Ottawa Street 670 G. Mennen Williams Bldg Lansing, MI 48933
MINNESOTA	Commissioner of Commerce Minnesota Department of Commerce 85 7th Place East, Suite 280 St. Paul, MN 55101 651-296-4026	Minnesota Commerce Department 85 7 th Place E, Ste 280 St. Paul, MN 55101
NEW YORK	New York State Department of Law Investor Protection Bureau 28 Liberty Street, 21st Floor New York, NY 10005 212-416-8222	New York Department of State New York Secretary of State One Commerce Plaza 99 Washington Avenue, 6 th Fl Albany, New York 12231
NORTH CAROLINA	Secretary of State's Office Securities Division 2 South Salisbury Street Raleigh, NC 27601 919-733-3924	Secretary of State Same Address
RHODE ISLAND	Rhode Island Department of Business Regulation Securities Division John O. Pastore Center — Building 69-1 1511 Pontiac Avenue Cranston, RI 02920 401-462-9585	Dept. of Business Regulation Securities Division Same address
SOUTH CAROLINA	Secretary of State P.O. Box 11350 Columbia, SC 29211 803-734-2166	Same
TEXAS	Secretary of State Statutory Documents Section P.O. Box 12887 Austin, TX 78711-2887 512-475-1769	Same
VIRGINIA	Director, Securities and Retail Franchising Division State Corporation Commission 1300 E. Main Street, 9th Floor Richmond, VA 23219 804-371-9051	Clerk of the State Corporation Commission 1300 E. Main Street, 1 st Floor Richmond, VA 23219 804-371-9733

STATE	STATE ADMINISTRATOR	AGENT FOR SERVICE OF PROCESS
WASHINGTON	Department of Financial Institutions Securities Division - 3 rd Floor 150 Israel Rd S.W. Tumwater, WA 98501 360-902-8762	Director, Dept. of Financial Institutions Securities Division – 3 rd Floor 150 Israel Rd S.W. Tumwater, WA 98501 360-902-8760
WISCONSIN	Commissioner of Securities Franchise Administrator 201 W. Washington Avenue, Suite 300 Madison, WI 53703 608-261-9555	Commissioner of Securities Dept. of Financial Institutions Division of Securities 201 W. Washington Avenue Suite 300 Madison, WI 53703 608-261-9555



EXHIBIT E

WSR FRANCHISE, LLC

STATEMENT OF FRANCHISEE

EXHIBIT E
STATEMENT OF FRANCHISEE

[Note: Dates and Answers Must be Completed in the Prospective Franchisee's Own Handwriting]

To make sure that no misunderstanding exists between you, the Franchisee, and us, WSR Franchise, LLC (also called “**WSR**,” the “**Franchisor**” or “**we**”), and to make sure that no violations of law might have occurred, and understanding that we are relying on the statements you make in this document, you assure us as follows:

A. The following dates are true and correct:

	Date	Initials	
1.	_____ 20____	_____	The date on which I received a Franchise Disclosure Document regarding the Restaurant Brokerage Business.
2.	_____ 20____	_____	The date of my first meeting with Marketing Representative to discuss a possible purchase of a Restaurant Brokerage Business.
3.	_____ 20____	_____	The date on which I received a completed copy (other than signatures) of the Franchise Agreement which I later signed.
4.	_____ 20____	_____	The date on which I signed the Franchise Agreement.
5.	_____ 20____	_____	The earliest date on which I delivered cash, check or other consideration to the Marketing Representative or an officer of Franchisor.

B. Representations.

1. No oral, written, visual or other promises, agreements, commitments, representations, understandings, “side agreements,” options, right-of-first-refusal or otherwise have been made to or with me with respect to any matter (including but not limited to advertising, marketing, site location, operational, marketing or administrative assistance, exclusive rights or exclusive or protected territory or otherwise), nor have I relied in any way on same, except as expressly set forth in the Franchise Agreement or an attached written Addendum signed by me and Franchisor, except as follows:

(If none, you should write NONE in your own handwriting and initial.)

2. No oral, written, visual or other promises, agreements, commitments, representation, understandings, “side agreements” or otherwise which expanded upon or were inconsistent with the Franchise Disclosure Document or the Franchise Agreement or any attached written addendum signed by me and an officer of Franchisor, were made to me by any person or entity, nor have I relied in any way on same, except as follows:

(If none, you should write NONE in your own handwriting and initial.)

3. No oral, written, visual or other claim or representation (including but not limited to charts, tables, spreadsheets or mathematical calculations to demonstrate actual or possible results based on a combination of variables, such as multiples of price and quantity to reflect gross sales, or otherwise,) which stated or suggested a specific level or range of actual or potential sales, income, profits, cash flow, tax effects or otherwise (or from which these items might be ascertained) from the Restaurant Brokerage Businesses, was made to me by any person or entity, nor have I relied in any way on any claim or representation, except as follows:

(If none, you should write NONE in your own handwriting and initial.)

4. No contingency, prerequisite, reservation or otherwise exists with respect to any matter (including but not limited to my obtaining financing, or my fully performing any of my obligations), nor have I relied in any way on same, except as expressly set forth in the Franchise Agreement or any attached written Addendum signed by me and Franchisor:

(If none, you should write NONE in your own handwriting and initial.)

5. The individuals signing for me constitute all of the executive officers, partners, shareholders, investors and/or principals. Each of these individuals has reviewed the Franchise Disclosure Document and all exhibits and carefully read, discussed, understands and agrees to the Franchise Agreement, each attached written Addendum and any personal guaranties.

6. I have had an opportunity to consult with an independent professional advisor, such as an attorney or accountant, before signing any binding documents or paying any sums, and Franchisor has strongly recommended that I obtain this independent advice. I have also been strongly advised by Franchisor to discuss my proposed purchase of a Restaurant Brokerage Business with any existing Franchisor franchisees before signing any binding documents or paying any sums and Franchisor has supplied me with a list of all existing franchisees if any exist.

7. I understand that: (a) entry into any business venture necessarily involves some unavoidable risk of loss or failure; (b) while the purchase of a franchise may improve the chances for success, the purchase of a Restaurant Brokerage Business or any other franchise is a speculative investment; (c) investment beyond that outlined in the Franchise Disclosure Document may be required to succeed; (d) there exists no guaranty against possible loss or failure in this or any other business; and (e) the most important factors in the success of any Restaurant Brokerage Business, including the one to be operated by me, are my personal business skills, which include marketing, sales, and management, and require sound judgment and extremely hard work.

8. I understand that Franchisor has an Affiliate, We Sell Restaurants, Inc., which operates a Restaurant Brokerage Business, and I have not been provided with any financial or operating information about any Affiliate of Franchisor, nor have I relied upon any other information I may have obtained from any other source with regard to the financial or operating conditions of any Affiliate of Franchisor.

If there are any matters inconsistent with the statements in this document or if anyone has suggested that you sign this document without all of its statements being true, correct and complete, immediately inform Franchisor (Phone: (404) 800-6700) and its Managing Member — Sales.

You understand and agree that we do not furnish, or authorize our salespersons, brokers or others to furnish any oral or written information concerning actual or potential sales, income, profits, cash flow, tax effects or otherwise (or information from which these items might be ascertained), from Affiliate-owned, franchised or non-franchised units, that no results can be assured or estimated, and that actual results will vary from unit to unit.

You understand and agree to all of the foregoing and represent and warrant that all of the above statements are true, correct and complete.

PROSPECTIVE FRANCHISEE:

MARKETING REPRESENTATIVE:

Date

Date

REVIEWED BY FRANCHISOR:

By: _____

Its: _____

Date: _____



EXHIBIT F

WSR FRANCHISE, LLC

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EXHIBIT G

WSF FRANCHISE, LLC

**NONDISCLOSURE AND
CONFIDENTIALITY AGREEMENT**

EXHIBIT G

NON-DISCLOSURE AND CONFIDENTIALITY AGREEMENT

This Non-Disclosure and Confidentiality Agreement (“Agreement”) is entered into as of the ____ day of _____, 20__ by and between WSR Franchise, LLC, an Alabama corporation (the “Company”) and _____, (“Prospective Franchisee”).

RECITALS:

A. The Company operates and franchises others to operate Restaurant Brokerage Businesses.

B. The Prospective Franchisee desires to review certain confidential and proprietary information in connection with its consideration of the purchase of a franchise from the Company. As a part of the due diligence connected to the purchase of a franchise and general assessment of the Company, Prospective Franchisee has become generally familiar with the Company’s operations and desires to learn more about the Company’s contracts, operations and financial condition.

C. The Company desires to provide Prospective Franchisee with access to certain confidential information about the operations of the Company including its franchise disclosure document, franchise agreement and financial information, provided that the confidential information will not be used for the benefit of others or disclosed to any other person or entity.

D. The parties hereto wish to preserve the confidentiality of the Company’s trade secrets and confidential information.

NOW, THEREFORE, in consideration of the covenants contained in this Agreement and other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Confidential Information. As used herein, “Confidential Information” means the Company’s franchise disclosure document, its franchise agreement, financial information concerning and its operations, information concerning the Company’s system of operations including trademarks and service marks, standards and specifications, certain operational and business standards and policies and any other information provided to Prospective Franchisee which is deemed to be confidential and a trade secret of the Company. All Confidential Information, regarding the business of the Company, in whatever form, is presumed to be confidential until it becomes public knowledge lawfully and without breach of any confidential obligation.

2. Covenants. Prospective Franchisee agrees to treat the Confidential Information in confidence and to undertake the following additional obligations with respect thereto.

2.1 Prospective Franchisee shall not directly or indirectly at any time disclose the Confidential Information to any person, firm, corporation, association, partnership or other entity for any reason or purpose whatsoever except as provided herein.

2.2 Prospective Franchisee shall not copy nor allow anyone else to copy in whole or in part, such Confidential Information.

2.3 Prospective Franchisee may disclose Confidential Information to (a) the directors, partners, officers and key employees of any corporation or business entity in which Prospective Franchisee owns an interest or represents, who have a reasonable need to know the contents thereof in connection with the purchase of a franchise from the Company, (b) Prospective Franchisee's accountants, financial advisors, attorneys, lenders and other representatives and agents (collectively "advisors") who are assisting Prospective Franchisee with the proposed purchase of a franchise from the Company, and (c) any other person who acknowledges the existence of this Agreement and agrees in advance in writing and with the consent and approval of the Company to keep the Confidential Information confidential in accordance with this Agreement. Prospective Franchisee will be responsible for any and all damages resulting from the violation of this Agreement by any such person or entity to whom Prospective Franchisee provides the Confidential Information, without prejudice to any remedy the Company might have directly against such party.

2.4 Prospective Franchisee shall return to the Company all Confidential Information, including all copies and records thereof, of whatever kind or nature, upon request therefor from the Company or upon completion of Prospective Franchisee's review of the Company and its Confidential Information whichever occurs first.

2.5 Prospective Franchisee shall not use any Confidential Information of the Company for its business or personal gain unless Prospective Franchisee signs a franchise agreement with the Company.

2.6 Prospective Franchisee will provide the Company with prompt written (or, if not practical to do so, oral) notice of any legal obligation on Prospective Franchisee's part to disclose Confidential Information, granting to the Company sufficient time to seek a protective order.

3. Prospective Franchisee's Acknowledgment. Although the Company has attempted to include in Confidential Information, information it believes relevant for the purposes of Prospective Franchisee's investigation, Prospective Franchisee understands, acknowledges and agrees that neither the Company nor any of its representatives, agents or advisors have made or make any representation or warranty as to the accuracy or completion of the Confidential Information. As such they will have no liability to Prospective Franchisee or any of Prospective Franchisee's agents or advisors resulting from the evaluation or use of Confidential Information. Prospective Franchisee further acknowledges and agrees that all Confidential Information provided pursuant to this Agreement is the sole property of the Company. Prospective Franchisee acknowledges and agrees that its restrictions and obligations under this Agreement shall survive the expiration, termination or cancellation of this Agreement and shall continue to bind Prospective

Franchisee and its successors and assigns and any parent or affiliate company of Prospective Franchisee.

4. Breach. In the event of a breach, or threatened breach, of the terms of this Agreement, the Company shall be entitled to injunctive relief restraining Prospective Franchisee or any person or entity over whom Prospective Franchisee has control, restraining Prospective Franchisee, such person or entity about to commit the breach of this Agreement, or who has committed a breach of it, without showing or proving any actual damages sustained by the Company. The Company's right to injunctive or other equitable relief is in addition and without prejudice to any other relief, including any remedy at law. In the event the Company prevails in any action brought to enforce any of the terms of this Agreement, it shall be entitled to all reasonable costs and attorneys' fees incurred in seeking such remedy.

5. Miscellaneous.

5.1 This Agreement shall be governed by and construed in accordance with the laws of the State of Georgia.

5.2 This Agreement sets forth the entire agreement and understanding of the parties with respect to the subject matter hereof.

5.3 No rights, licenses, franchises, expressed or implied, are hereby granted to Prospective Franchisee as a result of or related to this Agreement.

5.4 This Agreement shall be binding on the parties hereto and upon their respective heirs, legal representatives, successors and assigns.

5.5 If any provision of this Agreement should conflict with applicable law, said conflict shall not affect other provisions that can be given effect without the conflicting provision and to this end, the provisions of this Agreement are hereby declared to be severable.

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

COMPANY:

WSR FRANCHISE, LLC

By: _____

As Its: _____

PROSPECTIVE FRANCHISEE:



EXHIBIT H

WSR FRANCHISE, LLC

**STATE ADDENDA
TO
FRANCHISE DISCLOSURE DOCUMENT**

EXHIBIT H

STATE ADDENDA TO FRANCHISE DISCLOSURE DOCUMENT

ILLINOIS

Illinois law shall apply to and govern the Franchise Agreement.

In conformance with Section 4 of the Illinois Franchise Disclosure Act, any provision in a franchise agreement that designates jurisdiction and venue in a forum outside of the State of Illinois is void. However, a franchise agreement may provide for arbitration to take place outside of Illinois.

Franchisee's rights upon Termination and Non-Renewal are set forth in Sections 19 and 20 of the Illinois Franchise Disclosure Act.

In conformance with Section 41 of the Illinois Franchise Disclosure Act, any condition, stipulation or provision purporting to bind any person acquiring any franchise to waive compliance with the Illinois Franchise Disclosure Act **or any other law of Illinois** is void.

INDIANA

Indiana Code 23-2-2.7-1(7) makes unlawful unilateral termination of a franchise, unless there is a material violation of the Franchise Agreement and termination is not in bad faith. Indiana Code 23-2-2.7-1(5) prohibits a prospective general release of claims subject to the Indiana Deceptive Trade Practices Law, I.C. 23-2-2.5.

The post-term covenants against competition in the Franchise Agreement may not be enforceable under Indiana law.

Item 8 of the Disclosure Document is amended to provide that we will promptly account for and transmit to franchisees in Indiana any revenues or other benefit received as a result of any required purchases from approved suppliers by Indiana franchisees. We may, however, obtain a rebate, or other benefits, as compensation for services rendered by us, which may include without limitation, efforts in negotiating, establishing and maintaining group purchasing and supplier arrangements.

The risk factors on the cover page state that Alabama law governs the franchise agreement. This provision will not apply with respect to any cause of action which otherwise is enforceable in the State of Indiana pursuant to the Indiana Franchise Law and the Indiana Deceptive Franchise Practices Act.

To the extent any Item of this Disclosure Document conflicts with Indiana Code 23-2-2.5 and 2.7, such Indiana statutes govern.

Each section above in this addendum will be effective only if (and then to the extent) that the jurisdictional requirements of the Indiana Franchise Law and the Indiana Deceptive Franchise Practices Act are independently met (i.e., by facts and not simply by referencing this addendum).

MARYLAND

Item 17, "Renewal, Termination, Transfer and Dispute Resolution," shall be amended by the addition of the following language:

The general releases required for renewal or transfer will not apply with respect to any claim you may have which arises under the Maryland Franchise Registration and Disclosure Law.

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

The Franchisee may sue in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law.

Item 17, "Renewal, Termination, Transfer and Dispute Resolution," shall be amended by the addition of the following language to the summary of Provision "h":

Termination upon bankruptcy may not be enforceable under federal bankruptcy law, 11 U.S.C. Section 101 et seq.

Each provision of this addendum to the disclosure document shall be 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 addendum to the disclosure document.

MICHIGAN

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

(A) A PROHIBITION ON THE RIGHT OF A FRANCHISEE TO JOIN AN ASSOCIATION OF FRANCHISEES.

(B) A REQUIREMENT THAT A FRANCHISEE ASSENT TO A RELEASE, ASSIGNMENT, NOVATION, WAIVER, OR ESTOPPEL WHICH DEPRIVES A FRANCHISEE OF RIGHTS AND PROTECTIONS PROVIDED IN THIS ACT. THIS SHALL NOT PRECLUDE A FRANCHISEE, AFTER ENTERING INTO A FRANCHISE AGREEMENT, FROM SETTLING ANY AND ALL CLAIMS.

(C) A PROVISION THAT PERMITS A FRANCHISOR TO TERMINATE A FRANCHISE PRIOR TO THE EXPIRATION OF ITS TERM EXCEPT FOR GOOD CAUSE. GOOD CAUSE SHALL INCLUDE THE FAILURE OF THE FRANCHISEE TO COMPLY WITH ANY LAWFUL PROVISIONS OF THE FRANCHISE AGREEMENT AND TO CURE SUCH FAILURE AFTER BEING GIVEN WRITTEN NOTICE THEREOF AND A REASONABLE OPPORTUNITY, WHICH IN NO EVENT NEED BE MORE THAN 30 DAYS, TO CURE SUCH FAILURE.

(D) A PROVISION THAT PERMITS A FRANCHISOR TO REFUSE TO RENEW A FRANCHISE WITHOUT FAIRLY COMPENSATING THE FRANCHISEE BY REPURCHASE OR OTHER MEANS FOR THE FAIR MARKET VALUE, AT THE TIME OF EXPIRATION, OF THE FRANCHISEE'S INVENTORY, SUPPLIES, EQUIPMENT, FIXTURES, AND FURNISHINGS. PERSONALIZED MATERIALS WHICH HAVE NO VALUE TO THE FRANCHISOR AND INVENTORY, SUPPLIES, EQUIPMENT, FIXTURES, AND FURNISHINGS NOT REASONABLY REQUIRED IN THE CONDUCT OF THE FRANCHISED BUSINESS ARE NOT SUBJECT TO COMPENSATION. THIS SUBSECTION APPLIES ONLY IF: (i) THE TERM OF THE FRANCHISE IS LESS THAN 5 YEARS; AND (ii) THE FRANCHISEE IS PROHIBITED BY THE FRANCHISE OR OTHER AGREEMENT FROM CONTINUING TO CONDUCT SUBSTANTIALLY THE SAME BUSINESS UNDER ANOTHER TRADEMARK, SERVICE MARK, TRADE NAME, LOGOTYPE, ADVERTISING, OR OTHER COMMERCIAL SYMBOL IN THE SAME AREA SUBSEQUENT TO THE EXPIRATION OF THE FRANCHISE OR THE FRANCHISEE DOES NOT RECEIVE AT LEAST 6 MONTHS ADVANCE NOTICE OF FRANCHISOR'S INTENT NOT TO RENEW THE FRANCHISE.

(E) A PROVISION THAT PERMITS THE FRANCHISOR TO REFUSE TO RENEW A FRANCHISE ON TERMS GENERALLY AVAILABLE TO OTHER FRANCHISEES OF THE SAME CLASS OR TYPE UNDER SIMILAR CIRCUMSTANCES. THIS SECTION DOES NOT REQUIRE A RENEWAL PROVISION.

(F) A PROVISION REQUIRING THAT ARBITRATION OR LITIGATION BE CONDUCTED OUTSIDE THIS STATE. THIS SHALL NOT PRECLUDE THE FRANCHISEE FROM ENTERING INTO AN AGREEMENT, AT THE TIME OF ARBITRATION, TO CONDUCT ARBITRATION AT A LOCATION OUTSIDE THIS STATE.

(G) A PROVISION WHICH PERMITS A FRANCHISOR TO REFUSE TO PERMIT A TRANSFER OF OWNERSHIP OF A FRANCHISE, EXCEPT FOR GOOD CAUSE. THIS SUBDIVISION DOES NOT PREVENT A FRANCHISOR FROM EXERCISING A RIGHT OF FIRST REFUSAL TO PURCHASE THE FRANCHISE. GOOD CAUSE SHALL INCLUDE, BUT IS NOT LIMITED TO:

(i) THE FAILURE OF THE PROPOSED FRANCHISEE TO MEET THE FRANCHISOR'S THEN CURRENT REASONABLE QUALIFICATIONS OR STANDARDS.

(ii) THE FACT THAT THE PROPOSED TRANSFEREE IS A COMPETITOR OF THE FRANCHISOR OR SUBFRANCHISOR.

(iii) THE UNWILLINGNESS OF THE PROPOSED TRANSFEREE TO AGREE IN WRITING TO COMPLY WITH ALL LAWFUL OBLIGATIONS.

(iv) THE FAILURE OF THE FRANCHISEE OR PROPOSED TRANSFEREE TO PAY ANY SUMS OWING TO THE FRANCHISOR OR TO CURE ANY DEFAULT IN THE FRANCHISE AGREEMENT EXISTING AT THE TIME OF THE PROPOSED TRANSFER.

(H) A PROVISION THAT REQUIRES THE FRANCHISEE TO RESELL TO THE FRANCHISOR ITEMS THAT ARE NOT UNIQUELY IDENTIFIED WITH THE FRANCHISOR. THIS SUBDIVISION DOES NOT PROHIBIT A PROVISION THAT GRANTS TO A FRANCHISOR A RIGHT OF FIRST REFUSAL TO PURCHASE THE ASSETS OF A FRANCHISE ON THE SAME TERMS AND CONDITIONS AS A BONA FIDE THIRD PARTY WILLING AND ABLE TO PURCHASE THOSE ASSETS, NOR DOES THIS SUBDIVISION PROHIBIT A PROVISION THAT GRANTS THE FRANCHISOR THE RIGHT TO ACQUIRE THE ASSETS OF A FRANCHISE FOR THE MARKET OR APPRAISED VALUE OF SUCH ASSETS IF THE FRANCHISEE HAS BREACHED THE LAWFUL PROVISIONS OF THE FRANCHISE AGREEMENT AND HAS FAILED TO CURE THE BREACH IN THE MANNER PROVIDED IN SUBDIVISION (C).

(I) A PROVISION WHICH PERMITS THE FRANCHISOR TO DIRECTLY OR INDIRECTLY CONVEY, ASSIGN, OR OTHERWISE TRANSFER ITS OBLIGATIONS TO FULFILL CONTRACTUAL OBLIGATIONS TO THE FRANCHISEE UNLESS PROVISION HAS BEEN MADE FOR PROVIDING THE REQUIRED CONTRACTUAL SERVICES.

* * * *

THE FACT 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 THE FRANCHISOR'S MOST RECENT FINANCIAL STATEMENTS ARE UNAUDITED AND SHOW A NET WORTH OF LESS THAN \$100,000.00, THE FRANCHISOR MUST, AT THE REQUEST OF THE FRANCHISEE, ARRANGE FOR THE ESCROW OF INITIAL INVESTMENT AND OTHER FUNDS PAID BY THE FRANCHISEE UNTIL THE OBLIGATIONS TO PROVIDE REAL ESTATE, IMPROVEMENTS, EQUIPMENT, INVENTORY, TRAINING, OR OTHER ITEMS INCLUDED IN THE FRANCHISE OFFERING ARE FULFILLED. AT THE OPTION OF THE FRANCHISOR, A SURETY BOND MAY BE PROVIDED IN PLACE OF ESCROW.

* * * *

THE NAME AND ADDRESS OF THE FRANCHISOR'S AGENT IN THIS STATE AUTHORIZED TO RECEIVE SERVICE OF PROCESS IS: MICHIGAN DEPARTMENT OF COMMERCE, CORPORATION AND SECURITIES BUREAU, 6546 MERCANTILE WAY, P.O. BOX 30222, LANSING, MICHIGAN 48910.

ANY QUESTIONS REGARDING THIS NOTICE SHOULD BE DIRECTED TO:

DEPARTMENT OF THE ATTORNEY GENERAL'S OFFICE
CONSUMER PROTECTION DIVISION
ATTN: FRANCHISE
670 G. MENNEN WILLIAMS BUILDING
LANSING, MICHIGAN 48913

NOTE: NOTWITHSTANDING PARAGRAPH (F) ABOVE, WE INTEND TO, AND YOU AGREE THAT WE AND YOU WILL, ENFORCE FULLY THE PROVISIONS OF THE ARBITRATION SECTION OF OUR AGREEMENTS. WE BELIEVE THAT PARAGRAPH (F) IS UNCONSTITUTIONAL AND CANNOT PRECLUDE US FROM ENFORCING THE ARBITRATION PROVISIONS.

NEW YORK

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

INFORMATION COMPARING FRANCHISORS IS AVAILABLE. CALL THE STATE ADMINISTRATORS LISTED IN EXHIBIT A OR YOUR PUBLIC LIBRARY FOR SOURCES OF INFORMATION. REGISTRATION OF THIS FRANCHISE BY NEW YORK STATE DOES NOT MEAN THAT NEW YORK STATE RECOMMENDS IT OR HAS VERIFIED THE INFORMATION IN THIS FRANCHISE DISCLOSURE DOCUMENT. IF YOU LEARN THAT ANYTHING IN THE FRANCHISE DISCLOSURE DOCUMENT IS UNTRUE, CONTACT THE FEDERAL TRADE COMMISSION AND NEW YORK STATE DEPARTMENT OF LAW, BUREAU OF INVESTOR PROTECTION AND SECURITIES, 28 LIBERTY STREET, 21ST FLOOR, NEW YORK, NEW YORK 10005. THE FRANCHISOR MAY, IF IT CHOOSES, NEGOTIATE WITH YOU ABOUT ITEMS COVERED IN THE FRANCHISE DISCLOSURE DOCUMENT. HOWEVER, THE FRANCHISOR CANNOT USE THE NEGOTIATING PROCESS TO PREVAIL UPON A PROSPECTIVE FRANCHISEE TO ACCEPT TERMS WHICH ARE LESS FAVORABLE THAN THOSE SET FORTH IN THIS FRANCHISE DISCLOSURE DOCUMENT.

The following is added at the end of Item 3:

Except as provided above, with regard to the franchisor, its predecessor, a person identified in Item 2, or an affiliate offering franchises under the franchisor's principal trademark:

A. No such party has an administrative, criminal or civil action pending against that person alleging: a felony, a violation of a franchise, antitrust, or

securities law, fraud, embezzlement, fraudulent conversion, misappropriation of property, unfair or deceptive practices, or comparable civil or misdemeanor allegations.

B. No such party has pending actions, other than routine litigation incidental to the business, which are significant in the context of the number of franchisees and the size, nature or financial condition of the franchise system or its business operations.

C. No such party has been convicted of a felony or pleaded nolo contendere to a felony charge or, within the 10-year period immediately preceding the application for registration, has been convicted of or pleaded nolo contendere to a misdemeanor charge or has been the subject of a civil action alleging: violation of a franchise, antifraud, or securities law; fraud; embezzlement; fraudulent conversion or misappropriation of property; or unfair or deceptive practices or comparable allegations.

D. No such party is subject to a currently effective injunctive or restrictive order or decree relating to the franchise, or under a Federal, State, or Canadian franchise, securities, antitrust, trade regulation or trade practice law, resulting from a concluded or pending action or proceeding brought by a public agency; or is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities and Exchange Act of 1934, suspending or expelling such person from membership in such association or exchange; or is subject to a currently effective injunctive or restrictive order relating to any other business activity as a result of an action brought by a public agency or department, including, without limitation, actions affecting a license as a real estate broker or sales agent.

The following is added to the end of Item 4:

Neither the franchisor, its affiliate, its predecessor, officers, or general partner during the 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 or that obtained a discharge of its debts under the U.S. Bankruptcy Code during or within 1 year after that officer or general partner of the franchisor held this position in the company or partnership.

The following is added to the end of Item 5:

The initial franchise fee constitutes part of our general operating funds and will be used as such in our discretion.

The following is added to the end of the “Summary” sections of Item 17(c), titled **“Requirements for franchisee to renew or extend,”** and Item 17(m), entitled **“Conditions for franchisor approval of transfer”**:

However, to the extent required by applicable law, all rights you enjoy and any causes of action arising in your favor from the provisions of Article 33 of the General Business Law of the State of New York and the regulations issued thereunder shall remain in force; it being the intent of this proviso that the non-waiver provisions of General Business Law Sections 687.4 and 687.5 be satisfied.

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

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

The following is added to the end of the “Summary” section of Item 17(j), titled **“Assignment of contract by franchisor”**:

However, no assignment will be made except to an assignee who in good faith and judgment of the franchisor, is willing and financially able to assume the franchisor’s obligations under the Franchise Agreement.

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

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

RHODE ISLAND

Item 17, "Renewal, Termination, Transfer and Dispute Resolution," for both the Franchise Agreement shall be amended by the addition of 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."

This addendum to the Disclosure Document shall be 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 addendum to the Disclosure

VIRGINIA

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”, as defined in the Virginia Retail Franchising Act or the laws of Virginia, or to use undue influence to induce a franchisee to surrender any right given to them under the franchise agreement.

If any ground for default or termination stated in a provision of the franchise agreement does not constitute “reasonable cause”, the provision may not be enforceable.

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 them under the franchise, the provision may not be enforceable.

WISCONSIN

The Wisconsin Fair Dealership Law, Chapter 135, Wisconsin statutes supersedes any provision of this disclosure document that is inconsistent with that law.

Wisconsin Law [Stat. Section 135.04] may supersede the Franchise Agreement in your relationship with us in the areas of termination and renewal.

Each provision of this addendum to the disclosure document shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Wisconsin Fair Dealership Law, Chapter 135, are met independently without reference to this addendum to the disclosure document.



EXHIBIT I

WSR FRANCHISE, LLC

STATE EFFECTIVE DATES

STATE EFFECTIVE DATES

The following states require that the Franchise Disclosure Document be registered or filed with the state, or be exempt from registration: California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington and Wisconsin.

This Franchise Disclosure Document is registered, on file or exempt from registration in the following states having franchise registration and disclosure laws, with the following effective dates:

Illinois	Pending
Indiana	September 13, 2021
Maryland	Pending
New York	July 23, 2021
Rhode Island	September 15, 2021
Virginia	June 16, 2021
Wisconsin	Pending

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



EXHIBIT J

WSR FRANCHISE, LLC

RECEIPTS

**WSR FRANCHISE, LLC
RECEIPT
(FRANCHISEE'S COPY)**

This disclosure document summarizes certain provisions of the franchise agreement and other information in plain English. Read this disclosure document and all agreements carefully.

If WSR Franchise, LLC, offers you a franchise, it must provide this disclosure document to you

- (a) 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; or
- (b) Under New York law, if applicable, at the earlier of (i) your first personal meeting to discuss the distributorship, or (ii) 10 business days before you sign a binding agreement with, or make payment to us for an affiliate in connection with the proposed franchise sale.

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

The name, principal business address and telephone number of each Franchise Seller offering the franchise is Eric Gagnon, 5055 N. Oceanshore Boulevard, Palm Coast, Florida 32137, (404) 800-6700.

Issuance Date: March 15, 2021

See Exhibit D for our registered agents authorized to receive service of process.

I have received a disclosure document dated March 15, 2021 that included the following Exhibits:

- Exhibit A: Financial Statements
- Exhibit B: Franchise Agreement
- Exhibit C: List of Franchisees as of 12/31/2020
- Exhibit D: List of State Agencies and Agents for Service
- Exhibit E: Statement of Franchisee
- Exhibit F: Operations Manual Table of Contents
- Exhibit G: Non-Disclosure and Confidentiality Agreement
- Exhibit H: State Law Addenda
- Exhibit I: State Effective Dates
- Exhibit J: Receipt

Date	Signature	Printed Name
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Date	Signature	Printed Name
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**WSR FRANCHISE, LLC
RECEIPT
(FRANCHISEE'S COPY)**

This disclosure document summarizes certain provisions of the franchise agreement and other information in plain English. Read this disclosure document and all agreements carefully.

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