THE PORT OF PERI PERI®

FRANCHISE DISCLOSURE DOCUMENT

PERI PERI HOLDINGS LLC
A Delaware Limited Liability Company
100 East Roosevelt Road
Villa Park, IL 60181
Phone: (224) 788-7374
www.myperiperi.com

PERI PERI HOLDINGS LLC, a Delaware limited liability company, offers you the opportunity to own and operate one or more The Port of Peri Peri restaurants, which serve made-to-order, all-natural, fresh ingredients. Peri Peri offers Sandwiches, Pitas, Wraps, Salads using their signature Peri Peri chicken and other proteins, along with many side dishes in a fast-casual restaurant environment, under certain trademarks, trade names, service marks and logos (a "The Port of Peri Peri Restaurant" or "The Port of Peri Peri Restaurants").

The total investment necessary to begin operation of a Traditional Port of Peri Peri Restaurant ranges from $222,000 to $461,000. This amount includes $40,000 to $45,000 that must be paid to us or an affiliate.

The total investment necessary to begin operation of a Food Truck Port of Peri Peri Restaurant ranges from $126,900 to $184,800. This amount includes $30,000 to $35,000 that must be paid to us or an affiliate.

The total investment necessary to begin operation of an Express Port of Peri Peri Restaurant ranges from $175,000 to $265,000. This amount includes $30,000 to $35,000 that must be paid to us or an affiliate.

The total investment necessary to begin operation of a Commissary Port of Peri Peri Restaurant ranges from $143,600 to $234,500. This amount includes $30,000 to $35,000 that must be paid to us or an affiliate.

The total investment necessary to operate multiple Traditional Restaurants under our form of area development agreement depends on the number of Traditional Restaurants we grant you the right to open. The total investment necessary to enter into a development agreement for the right to develop three (3) Traditional Restaurants is $272,000 to $511,000, which includes (i) a development fee of $85,000 that is paid to us, and (ii) the total investment to open and commence operations of your initial Restaurant.

This Franchise Disclosure Document summarizes certain provisions of your Franchise Agreement and other information in plain English (this "Franchise Disclosure Document"). Read this Franchise Disclosure Document and all accompanying agreements carefully. You must receive this Franchise Disclosure Document at least 14 calendar days before you may sign a binding agreement with, or make any payment to, us or our affiliates in connection with the proposed franchise sale. **Note, however, that no government agency has verified the information contained in this document.**

You may wish to receive your Franchise Disclosure Document in another format that is more convenient to you. To discuss the availability of disclosures in different formats, contact Mr. Syed Pasha, at (224) 788-7374 or by mail at 100 East Roosevelt Road, Villa Park, Illinois 60181.

The terms of your contract will govern your franchise relationship. Don't rely on this Franchise Disclosure Document alone to understand your contract. Read your entire contract carefully. Show your contract and this Franchise Disclosure Document to a trusted advisor, such as a lawyer or an accountant.

Buying a franchise is a complex investment. The information in this Franchise 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 Franchise 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, DC 20580. You can also visit the FTC's home page at www.ftc.gov for additional information. Call your state agency or visit your public library for other sources of information on franchising.

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

Issuance Date: September 27, 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 Exhibits I and J.
How much will I need to invest?	Items 5 and 6 list fees you will be paying to the franchisor or at the franchisor's direction. Item 7 lists the initial investment to open. Item 8 describes the suppliers you must use.
Does the franchisor have the financial ability to provide support to my business?	Item 21 or Exhibit E includes financial statements. Review these statements carefully.
Is the franchise system stable, growing, or shrinking?	Item 20 summarizes the recent history of the number of company-owned and franchised outlets.
Will my business be the only The Port of Peri Peri 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 franchise 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 The Port of Peri Peri franchise?	Item 20 or Exhibits I and J list current and former franchisees. You can contact them to ask about their experiences.
What else should I know?	These questions are only a few things you should look for. Review all 23 Items and all Exhibits in this disclosure document to better understand this franchise opportunity. See the table of contents.

What You Need To Know About Franchising *Generally*

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

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

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

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

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

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

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

Some States Require Registration

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

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

Special Risks to Consider About *This* Franchise

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

1. **Out of State Dispute Resolution**. The franchise agreement and development agreement require you to arbitrate disputes with us and conduct the arbitration in Illinois. Out of state arbitration may force you to accept a less favorable settlement for disputes. It may also cost you more to arbitrate with us in Illinois than in your own state.

2. **Spousal Liability**. Your spouse must sign a document that makes your spouse liable for all financial obligations under the franchise agreement even though your spouse has no ownership interest in the franchise. This guarantee will place both your and your spouse's marital and personal assets, perhaps including your house, at risk if your franchise fails.

3. **Short Operating History**. The franchisor is at an early stage of development and has a limited operating history. This franchise is likely to be a riskier investment than a franchise in a system with a longer operating history.

4. **Financial Condition**. The franchisor's financial condition, as reflected in its financial statements (see Item 21), calls into question the franchisor's ability to provide services and support to you.

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

ITEM 1
THE FRANCHISOR AND ANY PARENTS, PREDECESSORS AND AFFILIATES

To simplify the language in this Franchise Disclosure Document, "Franchisor," "we," "us," or "our" means Peri Peri Holdings LLC, the franchisor. "You," "your" and "Franchisee" means the person who buys the franchise from us. If you are a corporation, partnership, limited liability company or other entity, certain provisions of the Franchise Agreement and related agreements will also apply to your owners.

Franchisor, Predecessors, Parents and Affiliates

We are a limited liability company organized in Delaware on December 6, 2019. From January 16, 2019, until December 6, 2019, we were an Illinois limited liability company. Our principal place of business is 100 East Roosevelt Road, Villa Park, Illinois 60181. We are solely owned by Iqbal LTD Co., a Texas corporation organized on December 5, 2007 with its principal business address at 2402 Glenholly Park Dr., Sugar Land, Texas 77498, and Perifection LLC, an Illinois limited liability company organized on February 11, 2019 with its principal business address at 100 E Roosevelt Road, Suite 36, Villa Park, Illinois 60181. We do business under the name "**The Port of Peri Peri**" and no other name. We began offering The Port of Peri Peri franchises in 2019. We have not conducted business or offered franchises in any other line of business.

Our predecessor is MPower Ventures LLC, an Illinois limited liability company, formed on April 6, 2017 ("MPower Ventures"). Peri Peri Holdings LLC purchased MPower Ventures, which owned the The Port of Peri Peri brand, and Peri Peri Villa Park LLC, which owns and operates a Restaurant in Villa Park, IL, in January 2019.

MPower Ventures is preceded by DJL Restaurant Enterprise LLC, an Illinois limited liability company, formed on February 6, 2013 ("DJL"). In or around February of 2013, DJL developed a system, for the development and operation of restaurants which serve Peri Peri-style chicken to the general public, with a menu featuring Peri Peri-style chicken, salads and sides in a casual dine-in restaurant environment, under certain trademarks, trade names, service marks and logos. DJL offered franchises in 2017 to own and operate restaurants under the mark "Porto's Peri Peri". DJL was not registered to offer or sell franchises for the development and operation of The Port of Peri Peri Restaurants. MPower Ventures LLC purchased the System from DJL on August 28, 2017. DJL offered franchises which are substantially similar to the franchise described in this Disclosure Document under the mark "Porto's Peri Peri" until its acquisition by MPower Ventures, who thereafter offered franchises under the same mark until we succeeded MPower Ventures in January 2019.

Our affiliate, Porto's Villa Park, LLC is an Illinois limited liability company formed on January 4, 2018 with a principal business address at 100 E Roosevelt Road, Suite 38, Villa Park, IL 60181. Porto's Villa Park, LLC owns a location in Villa Park, Illinois. Porto's Villa Park, LLC does not offer or grant franchises in this line or any line of business nor does it conduct other business activity.

We have no affiliates that offer franchises in any line of business. Neither our parent nor any of our affiliates offer franchises in this line or any line of business. Our parent Perifection LLC owns locations in Indianapolis, Indiana, Schererville, Indiana, and Fullerton, California. Our agents for service of process are identified by state in **Exhibit A** to this Franchise Disclosure Document.

We acquired the System from MPower Ventures, LLC (previously selling franchises operating under the mark "Porto's Peri Peri"), and we continue to develop as part of the System certain specified and distinct business formats, methods, and procedures, including distinctive exterior and interior design, décor, color scheme and furnishings, uniform standards, specifications and procedures for operations, quality and uniformity of products and services offered, procedures for management and inventory control, training and assistance and advertising and promotional programs. The Port of Peri Peri Restaurants offer a menu featuring Peri Peri-style chicken, pitas, wraps, salads and side dishes for dine-in and carry out.

Other than as provided above, we have no affiliates that offer franchises in any line of business or provide products or services to franchisees.

The Franchised Business

We grant qualified parties a franchise for the right to independently own and operate a franchised Restaurant that serves made-to-order, all-natural, fresh Peri Peri food, consisting but not limited to pitas, wraps, salads and side dishes in a casual restaurant environment, as well as other specialty items, sides, desserts and beverages that we authorize. Each Restaurant operates utilizing our primary mark THE PORT OF PERI PERI, FlameOn! and any other proprietary marks and names we use now or may designate in the future (collectively, the "Marks"), as well as the proprietary business system that is described more fully below in this Item (the "System").

Your Restaurant will be a quick casual restaurant that offers and serves made-to-order, all-natural, fresh never frozen Peri Peri food, pitas, wraps, salads and side dishes along with any other menu/specialty items, sides, desserts and beverages that we authorize (collectively, the "Approved Products"), to customers in a in a casual restaurant environment. You are required to obtain any licenses or certifications that we may require to operate the Restaurant.

Your Restaurant will be operated utilizing our Marks and in accordance with our System, the latter of which is comprised of: (a) the information, trade secrets, and methods associated with the establishment and operation of a Restaurant, including our proprietary recipes associated with the Approved Products; (b) confidential Operations Manual and other proprietary manuals we may loan to you (collectively, the "Manuals"); (c) proprietary initial training program and ongoing training, as well as related instructional materials; (d) certain standards and specifications associated with the establishment and ongoing operation of your Restaurant, including any plans regarding the prototypical design, layout and build-out of a Restaurant; (e) methods associated with marketing and sales programs, fixture and furniture selection, staffing guidelines and other research and development connected with the establishment and operation of a Restaurant; and (f) established relationships with certain vendors/supplier that might be used in connection with the development/operation of a Restaurant. We may modify the System from time to time as we deem appropriate or necessary in our discretion.

System Restaurants are required to offer and participate in a reciprocal customer rewards program and must comply with participation rules and regulations we establish for the program. We reserve the right to change the rules and regulations for these programs in our sole discretion at any time. Details of our current rewards program will be provided to you through the Manual. You will be required to honor member rewards issued pursuant to our member rewards program.

<u>Traditional Restaurant Model</u>

Your Restaurant must be operated from a location that we approve (the "Premises"). The Premises of a Restaurant will typically have approximately 1,700 to 2,400 square feet of leased or owned space, and be located in regional shopping centers or other commercial business areas we approve. You must offer (and only offer) the Approved Products that we authorize at the Premises of your Restaurant.

In order to own and operate a Restaurant, you must enter into our current form of franchise agreement that is attached as Exhibit B to this Disclosure Document (the "Franchise Agreement"). If the franchisee is a business entity (for example, a corporation, partnership or limited liability company), then all of the individuals that have any type of ownership interest in the franchisee entity, as well as their spouses (at our discretion), must sign the form of personal guaranty attached as an Exhibit to the Franchise Agreement (the "Personal Guaranty"). The individuals that sign the Personal Guaranty agree to be personally bound by, and personally guarantee, the franchisee entity's obligations under the Franchise Agreement. If the franchisee is an individual, then the franchisee's spouse must also sign the Franchise Agreement (or, in the alternative, the Personal Guaranty).

Once we agree on the location of your Restaurant (the "Premises"), we will designate a geographical area around the Premises where we will not own or operate, or license a third party the right to own or operate, a Restaurant that utilizes the Proprietary Marks and System (your "Designated Territory"). Once the parties have agreed on the Premises and Designated Territory associated with your Restaurant, these terms will be defined in the data sheet attached as Exhibit A to your Franchise Agreement (the "Data Sheet").

Multi-Unit Offering

We also offer qualified individuals and entities the right to open and operate multiple Traditional Restaurants within a designated geographical area (the "Development Area") under our current form of development agreement that is attached to this Disclosure Document as Exhibit C (the "Development Agreement"), which will also outline a schedule or defined period of time in which you must open and commence operating each Restaurant (a "Development Schedule"). Failure to comply with the Development Schedule is grounds for immediate termination of the Development Agreement.

At our option, you will be required to sign a Franchise Agreement for your initial Traditional Restaurant at the same time you sign your Development Agreement, and you will eventually need to sign our then-current form of franchise agreement for each of the Restaurants you open under the Development Schedule that is different from the form of franchise agreement in this offering.

Food Truck Model

We also offer qualified individuals who currently own and operate either (a) a Traditional Restaurant, (b) an Express Peri Peri Model, or (c) a Commissary Kitchen Model the right to operate a The Port of Peri Peri Food mobile "Food Truck" using the system developed by us for Traditional Restaurants but applied to the Food Truck model, the characteristics of which include: Franchisor's proprietary standards and specifications for food preparation and service; the vehicle that will serve as the Food Truck; interior and exterior Food Truck designs and color schemes; standard specifications for equipment, designs and displays; sales techniques, merchandising, marketing, advertising, and inventory management systems; and procedures for operating and managing a Food Truck in the manner set forth in the Franchise Agreement and/or our Operations Manual, as modified from time to time (the "Food Truck System").

Express Peri Peri Model

In addition to our Traditional Restaurant and Food Truck Models, we also offer qualified individuals the right to operate a The Port of Peri Peri "Express Location" using the system developed by us for Traditional Restaurants but applied to an Express Location (malls, airports/train stations, and high density urban locations) or otherwise a location that does not offer the complete sit-down experience, the characteristics of which include: our proprietary standards and specifications for food preparation and service; designs and displays; sales techniques, merchandising, marketing, advertising, and inventory management systems; and procedures for operating and managing an Express Peri Peri Location in the manner set forth in the Franchise Agreement and/or our Operations Manual, as modified from time to time (the "Express Location System").

Commissary Kitchen Model

Finally, we also offer qualified individuals the right to operate a The Port of Peri Peri Commissary Kitchen, using the system developed by us for Traditional Restaurants but applied to a Commissary Kitchen (delivery only), the characteristics of which include our proprietary standards and specifications for food preparation and service; sales techniques, merchandising, marketing, advertising, and inventory management systems; and procedures for operating and managing a Commissary Kitchen Location in the manner set forth in the Franchise Agreement and/or our Operations manual, as modified from time to time (the "Commissary Kitchen System").

Market Competition

The market for food products and services such as those offered by The Port of Peri Peri Restaurants is highly competitive and well developed, as is the market for obtaining locations for The Port of Peri Peri Restaurants. The casual dining industry is highly competitive and is often affected by changes in season, eating habits of the public, local and national conditions affecting spending habits and population and traffic patterns. The Port of Peri Peri Restaurants will compete with other local businesses, as well as many local, regional and national restaurant chains, grocery stores, street vendors and other food service businesses offering similar products. You will face competition from other independent businesses, franchises and national companies offering similar products and services as your franchised The Port of Peri Peri Restaurant. You will also face normal business risks that could have an adverse effect on your The Port of Peri Peri Restaurant. If you purchase a Food Truck, you may face competition from other food trucks, street vendors, and other mobile purveyors of food products.

Regulations

The Port of Peri Peri Restaurants are subject to all the laws, codes and regulations normally applicable to restaurants and similar retail businesses. Many states and local jurisdictions have enacted laws, rules, regulations and ordinances that may apply to the operation of your The Port of Peri Peri Restaurant, including those which (a) establish general standards, specifications and requirements for the construction, design and maintenance of your The Port of Peri Peri Restaurant location; (b) regulate matters affecting the health, safety and welfare of your customers, such as general health and sanitation requirements, employee practices concerning the storage, handling and preparation of food; special health restrictions on smoking and exposure to tobacco smoke, other carcinogens or reproductive toxicants and availability of and requirements for public accommodations, including restrooms; (c) set standards pertaining to employee health and safety; (d) set standards and requirements for fire safety and general emergency preparedness; (e) govern the use of vending machines; (f) regulate the proper use, storage and disposal of waste, insecticides and other hazardous materials; (g) establish general requirements or restrictions on advertising containing false or misleading claims, or health and nutrient claims on menus or otherwise, such as "low calorie" or "fat free"; and (h) establish requirements concerning withholdings and employee reporting of taxes on tips. State, federal and local regulations may require you to disclose the nutritional content of certain food items. Some state and local authorities have also adopted, or are considering adopting, laws or regulations that would affect the content or ingredients of food served in restaurants.

The following laws and regulations may also apply to the operation of your The Port of Peri Peri Restaurant:

Federal Laws: The United States Department of Agriculture and the Food and Drug Administration regulate the manufacture, labeling and distribution of food products as well as menu labeling. Examples of other federal laws affecting many small businesses are wage and hour, occupational health and safety, equal employment opportunity, taxes, hazardous materials communication to employees, hazardous waste and environmental and the Americans with Disabilities Act.

State and Local Laws: Your The Port of Peri Peri Restaurant is subject to state and local food and health permits and inspection laws. Health laws are intended in part to reduce food-borne illnesses and may cover such issues as requiring employees to take a test and obtain a license as a food service worker, having accessible sinks, bathrooms for certain size establishments, inspections for cleanliness and compliance, equipment cleaning, storage and packaging, size of facilities, allowed foods, refrigeration, etc. Certain city or town clerks in the communities you plan to service may have additional licensing requirements. Local laws may cover the same topics as federal and state laws. Examples of other local laws affecting many small businesses include health and sanitation, building codes, fire codes, permits and waste disposal.

You should consider these laws and regulations when evaluating your purchase of a The Port of Peri Peri Restaurant. There may be other federal, state and local laws and regulations governing the operation of your Restaurant. It is solely your obligation to research all applicable laws and ensure you are complying with their requirements at all times.

ITEM 2
BUSINESS EXPERIENCE

Syed Naveed Pasha, President and CEO

Mr. Pasha has served as our President CEO since our inception in December 2019. Previously, he was a Managing Member/Partner of our predecessor MPower Ventures from April 2017 until January 2019. Mr. Pasha serves in his current capacity in Villa Park, Illinois. He has been leading the system since he took over and purchased the first restaurant as part of the acquisition from DJL Restaurants corp in June 2017. From July 2003 to January 2017, he served as a Senior Business Analyst for United Airlines, Chicago, Illinois.

ITEM 3
LITIGATION

Concluded Litigation

Ismail, et al. v. MPower LLC, et al. No. 19-cv-10547 (US District Court for the District of New Jersey). This action was filed on December 10, 2018, by Mohammad Ismail, Lubna Ismail, and Protopp NJ One, LLC d/b/a Tribos Peri Peri (collectively, the "Plaintiff") a former franchisee, against MPower Ventures, LLC d/b/a Porto's Peri Peri, Peri Peri Holdings, LLC, Tablespread Ventures, LLC, Riaz Ameeruddin, Revathy Ameeruddin, Shaukh Ali, Khudeja Ali, Parveen Bashar, Abdul Bashar, John Roes 1-10, Syed Pasha, Brainiac Assets, Inc., Mohammad F. Haqqani, Sameerullah M. Sheriff, Richard Roes 1-10, Halal Food Standards Alliance of America, and John Does 1-10 (collectively, the "Defendants"). Thereafter, the action was dismissed for lack of subject matter jurisdiction and Plaintiffs then filed suit with the Superior Court of New Jersey Bergen County (No. BER-L-001611-19) on March 4, 2019, where it was later removed back to the US District Court for the District of New Jersey (No. 19-cv-10547) on April 22, 2019. On August 21, 2019, Plaintiffs were granted leave to file an Amended Complaint. On January 22, 2020, Plaintiff filed an Amended Complaint against Defendants seeking rescission of the agreements entered into between the parties and alleging a violation of the New Jersey Franchise Practices Act, Common Law Fraud, Negligent Misrepresentation, Breach of Contract, Tortious Interference with Prospective Economic Benefit, and Successor Liability for an unnamed amount of damages. On April 26, 2020, the parties entered into a Settlement Agreement whereby the parties agreed to (i) terminate the agreements between the parties, (ii) release each other, and (iii) Defendants paid Plaintiff the sum of $67,000.

ITEM 4
BANKRUPTCY

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

ITEM 5
INITIAL FEES

Franchise Agreement

Initial Franchise Fee

The Initial Franchise Fee for a franchise granting you the right to open one The Port of Peri Peri Traditional Restaurant is $35,000.00. The Initial Franchise Fee to open a Food Truck Model, Commissary Model or Express Peri Peri Model is $25,000. The Initial Franchise Fee is due in full upon your execution of the Franchise Agreement.

Opening Inventory and Gift Cards

Before you open the Restaurant, you must order certain opening inventory items from us and/or our affiliates. The estimated range of the initial purchases is between $5,000 and $10,000 for the proprietary spices, gift cards and other required opening inventory you must purchase from us to open your Restaurant.

Development Agreement

If we grant you the right to open multiple Traditional Restaurants under a Development Agreement, you must pay us a development fee that is based on the number of Traditional Restaurants we grant you the right to open within your Development Area (the "Development Fee").

Development Fee (Traditional Location Only)

The Development Fee (which we refer to as your "Initial Development Fee") is due upon execution of your Development Agreement and is calculated as follows: $35,000 for the Initial Traditional Restaurant that we will grant you the right to open and operate under the Development Agreement, plus $25,000 for each additional Traditional Restaurant that you are granted the right to open under the Development Agreement. The Development Fee is paid as consideration for the territorial rights you are granted within your Development Area and is not tied to any pre-opening obligations that we must otherwise perform. The Development Fee is non-refundable under any circumstance.

Except as otherwise disclosed in this Item 5, all fees described herein are calculated and imposed uniformly on franchisees and each fee is non-refundable under any circumstance.

ITEM 6
OTHER FEES

Type of Fee	Amount	Due Date	Remarks
Royalty(1)	5% of Gross Sales(2)	Payable Thursday of each week (or another interval we designate) for Gross Sales during the preceding week.	We will charge this fee via an authorized ACH payment.(3) See note 2 below for the definition of "Gross Sales."
Brand Development Fund(4)	Up to 2% of Gross Sales. Currently, .5% of Gross Sales.	Payable Thursday of each week (or another interval we designate) for Gross Sales during the preceding week	We may furnish you with marketing, advertising and promotional materials at cost, plus any related administrative, shipping, handling and storage charges.
Local Advertising(5)	1% of your Gross Sales for the preceding month.	As incurred	See notes below.
Technology Fee	The then-current technology fee, which is currently $275 per month (the "Technology Fee")	Payable on the 5th day of each month.	We may change the amount, scope, or manner of payment of the Technology Fee, including the party to whom payment is made, at any time providing reasonable notice to you.
Phone Application	The then-current phone application fee, which is currently $199 month	Payable on the 5th day of each month.	We will charge this fee each month for your use of our Phone Application
Transfer Fee – Franchise Agreement(6)	$10,000	Upon the transfer of your Franchise to any other party	See notes below.
Renewal Fee	$10,000	30 days prior to renewal	In order to exercise your renewal option under the Franchise Agreement, you must pay a Renewal Fee equal to Ten Thousand Dollars ($10,000)

Type of Fee	Amount	Due Date	Remarks
Relocation Fee	$5,000	If incurred	Payable upon your request to relocate your Port of Peri Peri Business.
Late Fee	$10 per day that each payment is late for the first 10 days, then $50 per day thereafter.	As incurred	This interest rate applies to any money you owe us after the due date.
Non-Reporting Enforcement Fee	$10 per day that each report is late.	As incurred	If you fail to submit any report to us, you will be charged $10 per day for each report that is late.
Initial Training	No charge for the first 4 attendees. Thereafter, you must pay our additional training fee as described below.	30 days after billing	There is no charge for the first 4 people to attend the initial training
Additional Training	Our then-current training fee. Currently $300 per day, plus travel expenses, room and board for our trainer.	30 days after billing	You may request additional training from time to time. You will be responsible for the cost and expenses of our trainers associated with such training, and must pay our then current training fee.
Indemnification[7]	Will vary under the circumstances	As incurred	You must pay for any expenses or losses that we or our representatives incur related in any way to your Franchise(s) and The Port of Peri Peri Restaurants.
Supplier Approval Charge	The costs and expenses we actually incur evaluating the proposed alternative supplier and/or product	30 days after billing	This charge will not be more than the cost of inspection and testing.

Type of Fee	Amount	Due Date	Remarks
Legal Costs and Professional Fees	Our costs and expenses	As incurred	You must pay all costs reasonably incurred in enforcing the Franchise Agreement.
Audit Fee(8)	Cost of audit plus interest on the underpayment at the highest rate of interest permitted by law, not to exceed 1.5% per month	Due immediately upon your receipt of written notice from us if the audit shows an understatement of Gross Sales of 2% or more	We have the right to have an audit made of your records and conduct a physical inventory. If any inspection discloses an understatement of any reported amount of any type, in any report, of 2% or more of Gross Sales, you will, in addition to paying us the amount of the understatement, reimburse us for all expenses of the audit and inspection (including reasonable accounting and attorneys' fees and costs).
Non-Compliance	$250 for deviations from our operations requirements set forth in the Franchise Manual	As incurred	If you deviate from the operational requirements set forth in the Franchise Manual, we may charge you $250 for each deviation to compensate us for administrative and management costs, not for our damages due to your default.

Type of Fee	Amount	Due Date	Remarks
Management Fee	$350 per person per day (plus other costs and expenses).	As incurred	Upon an event of default by you and failure to cure such default within the applicable time period (if any), we or our affiliate has the right, but not the obligation, to exercise complete authority with respect to the operation of your Restaurant until such time as we determine that the default has been cured, and you are otherwise in compliance with the Franchise Agreement. In the event we exercise these rights, you must reimburse us or our affiliate for all reasonable costs and overhead, if any, incurred in connection with the operation of your Restaurant including, without limitation, costs of personnel for supervising and staffing your Restaurant and their travel and lodging accommodations, plus a fee not to exceed $350 per day plus costs and expenses.
National Convention Fee	If established, $500 per person	Annually	You must pay this fee to attend our National Convention. If established, you are required to pay this fee whether or not you attend.

Notes:

All fees described in this Item that are paid to us or our affiliates are uniform and not refundable under any circumstances once paid. Fees paid to vendors or other suppliers may be refundable depending on the vendors and suppliers. Unless otherwise designated by us, we currently require you to pay fees and other amounts due to us or our affiliates through electronic funds transfer via Automated Clearing House ("ACH") or similar means. You are required to complete the ACH authorization (in the form attached to the Franchise Agreement). We can require an alternative payment method or payment frequency for any fees or amounts owed to us or our affiliates under the Franchise Agreement.

1. *Royalty*. In addition to the Initial Franchise Fee, you are required to pay to us a continuing non-refundable weekly royalty fee for each of your The Port of Peri Peri Restaurants in an amount equal to 5% of your Gross Sales, as the term is defined in Note 2.

2. *Gross Sales*. "Gross Sales" means the aggregate revenues the The Port of Peri Peri Restaurant receives from the sale of, or the provision of services with respect to, food, beverages, other menu items and other merchandise, whether for cash or on credit, less (a) applicable sales taxes you

collect and remit to the appropriate tax authority, (b) valid coupon credits and employee discounts deducted from revenues initially recorded as Gross Sales and (c) revenue you derive from selling or issuing The Port of Peri Peri gift or loyalty cards (although revenue you derive from selling products and services to customers using those cards for payment is included in Gross Sales), but without deduction of any other costs or expenses whatsoever.

3. *Payment*. The Royalty Fee is non-refundable and will be paid weekly to us, payable via ACH or other similar means that we select under the Franchise Agreement or the Franchise Manual on the day of the week we periodically designate. We reserve the right to change the interval, time or manner in which we collect the Royalty Fee.

4. *Brand Development Fund*. Once established, these funds will be collected by us at the same time and in the same manner as the Royalty Fee. This weekly advertising fee may be increased up to 2% of Gross Sales in our sole discretion.

5. *Local Advertising*. You must expend a minimum of one percent (1%) of the Gross Sales of your Restaurant each calendar month (based on the Gross Sales of the Restaurant during the preceding calendar month on local advertising and marketing). Advertising expenditures include amounts contributed to any local advertising cooperative that we may establish and amounts spent for advertising media, such as television, radio, newspaper, billboards, posters, direct mail and flyers. Advertising expenditures do not include amounts spent for items that we, in our sole discretion, deem inappropriate for meeting the minimum advertising requirement, including permanent on-premises signs, lighting, delivery vehicle storage, premiums, discounts and employee incentive programs. All Local Advertising expenditures must be approved by us. We reserve the right to increase this fee up to 2%.

6. *Transfer*. If we exercise our right to purchase your franchise pursuant to our right of first refusal, the transfer fee will be waived. No transfer fee will be charged if you transfer your interest to a shareholder, partner or member of an entity that is an existing franchisee under the Franchise Agreement or an entity of which you own at least 51% of the total ownership interest; however, you may be required to reimburse us for any legal, accounting or other professional fees that we incur in approving your transfer.

7. *Indemnification*. Under the Franchise Agreement, you are obligated to indemnify us from all losses and expenses incurred in connection with any action, suit, proceeding, claim, demand, investigation, formal or informal inquiry (regardless of whether the same is reduced to judgment) or any settlement thereof, which arises out of, or is based upon any of the items listed in the section of the Franchise Agreement entitled "Indemnification."

8. *Audit Fee and Related Financial Reporting Obligations*. We have the right to audit the books and records of your The Port of Peri Peri Restaurant. Audits will be conducted at our expense, unless an audit discloses an understatement in any report of 2% or more, in which case you must pay for any and all costs and expenses incurred by us in connection with the audit (including reasonable accountants' and attorneys' fees), together with interest on the undisclosed or under-reported sums at the highest rate permitted by law, not to exceed 1.5% per month, which will be payable immediately upon your receipt of written notice from us. All such audit fees, costs and expenses, as well as the interest thereon, are non-refundable.

ITEM 7
ESTIMATED INITIAL INVESTMENT

A. YOUR ESTIMATED INITIAL INVESTMENT – TRADITIONAL RESTAURANT

Type of Expenditure	Amount	Method of Payment	When Due	To Whom Payment is to be Paid
Initial Franchise Fee[1]	$35,000	Lump Sum	Upon signing the Franchise Agreement	Franchisor
Opening Inventory	$5,000 to $10,000	Lump sum	Prior to opening	Us and/or Affiliates
Lease Deposit[2]	$2,000 to $25,000	Lump sum	Upon signing of a lease, if applicable	Third Parties
Lease Rental Payments[3]	$6,000 to $12,000	As incurred	As incurred	Third Parties
Utility Installation[4]	$1,000 to $2,000	As incurred	As incurred	Third Parties
Leasehold Improvements[5]	$60,000 to $125,000	As incurred	As incurred	Third Parties
Grand Opening Advertising and Marketing[6]	$6,000 to $7,000	Lump sum	As incurred	Third Parties
Insurance[7]	$3,000 to $8,000	Lump sum or Payment schedule	Prior to opening	Approved Supplier or Third Party
Office Equipment and Supplies	$3,000 to $5,000	As incurred	As incurred	Third Parties
Equipment Package[8] (*furniture, fixtures, equipment, graphics package, signage*)	$60,000 to $175,000	Lump sum	Prior to opening	Contractors or Approved Suppliers
Training Expenses[9]	$1,000 to $5,000	As incurred	Prior to and during opening	Third Parties
Professional Fees, Licenses and Permits[10]	$1,000 to $5,000	As incurred	As incurred	Third Parties
Architectural Fees	$4,000 to $12,000	As agreed	As agreed	Approved Supplier or Third Party

Type of Expenditure	Amount	Method of Payment	When Due	To Whom Payment is to be Paid
Additional Funds – 3 Months(11)	$35,000	As incurred	As incurred	Third Parties
Estimated Total	**$222,000 to $461,000**			

Notes:

These estimated initial expenses are our best estimate of the costs you may incur in establishing and operating your The Port of Peri Peri Restaurant. We do not offer direct or indirect financing for these items. None of the fees payable to us are refundable. Fees paid to vendors or other suppliers may or may not be refundable depending on their policies or your arrangements with them.

1. Your Initial Franchise Fee is $35,000 and is non-refundable. If for any reason you do not have a signed lease for your The Port of Peri Peri Restaurant within six months after signing your Franchise Agreement or you do not open your The Port of Peri Peri Restaurant within six months after you sign your lease (unless otherwise provided in the lease or as extended by us), we may terminate your Franchise Agreement at any time thereafter by giving you written notice. We describe your Initial Franchise Fee and when this fee is due in Item 5.

2. These figures presume that you will be leasing your premises. You will need to lease a site of approximately 2,000 to 2,500 square feet. We may allow or require variations to this size under certain circumstances. Your landlord will typically require a security deposit equal to one or two months' rent and may, in addition, require payment in advance of the first and/or last (or more) month's rent. These figures provide the estimated amount of the security deposit for a location meeting our typical size requirements.

3. Again, these figures presume that you will be leasing your premises and that your premises will be approximately 2,000 to 2,500 square feet. The expenses of leasing will vary depending upon the size of the premises, its location (for example, downtown, mall, suburban or rural), landlord contributions and the requirements of individual landlords. The estimated total initial investment shown in the chart above includes three months' rent for your initial period of operation.

4. This item does not include utility deposits. In some areas, some utility companies do not require utility deposits. Where required, these deposits may be refundable by the utility providers.

5. The cost of leasehold improvements will vary depending on numerous factors including the size and configuration of the premises and pre-construction and construction costs. The low end of this range presumes that the premises was formerly used as a restaurant and therefore the space is finished and outfitted with many of the fixtures necessary for the operation of a The Port of Peri Peri Restaurant and/or your landlord will provide a partial build-out allowance.

6. You must conduct an advertising campaign to promote the grand opening of your The Port of Peri Peri Restaurant. The advertising and marketing expenditure listed here must be spent between the date thirty (30) days prior to opening your Restaurant, and through the date 180 days thereafter.

7. The insurance you must maintain is described in Item 8. Our estimate does not include other insurance policies you may have to maintain under the terms of your lease or as may be required by law or other third parties. The unearned portions of the insurance premiums are generally refundable depending on your insurer.

8. This sum includes all necessary equipment and fixtures, signs, beverage systems, menu display boards, point-of-sale system and software and related items.

9. Travel, lodging, meals and other living expenses while attending The Port of Peri Peri training programs are not included in the fees you pay to us. We currently provide initial training of approximately three to four weeks duration, although the length of training may change at our discretion. We provide training at our principal place of business located in Villa Park, Illinois, and other geographical areas that we may designate from time to time. These amounts do not include any fees or expenses for training any other personnel. There is no charge for the first two attendees to attend initial training; thereafter there is $100 per-day per-attendee initial training charge.

10. This expense includes architectural fees, legal fees, accounting services, licenses, permits and administrative expenditures.

11. This is an estimate of your working capital requirements for the first three months of operation based on our affiliate's experience of opening and operating The Port of Peri Peri Restaurants. New businesses often generate a negative cash flow. Working capital for the first three months is estimated at $35,000, and includes general operating expenses, such as supplies, food and beverage products, packaging, payroll, payroll expenses, rent, Royalties and Ad Fund contributions, advertising, utilities, insurance, pest control, security, repairs, maintenance, complimentary sales and other costs. These amounts do not include any estimates for debt service.

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B. YOUR ESTIMATED INITIAL INVESTMENT – FOOD TRUCK MODEL

Type of Expenditure	Amount	Method of Payment	When Due	To Whom Payment is to be Paid
Initial Franchise Fee[1]	$25,000	Lump Sum	Upon signing the Franchise Agreement	Franchisor
Opening Inventory	$5,000 to $10,000	Lump sum	Prior to opening	Us and/or Affiliates
Vehicle [2]	$12,000 to $42,000	Lump sum	Upon signing of a lease, if applicable	Third Parties
Vehicle Wrap [3]	$6,000 to $8,000	As incurred	As incurred	Third Parties
Grand Opening Advertising and Marketing[4]	$6,000 to $7,000	Lump sum	As incurred	Third Parties
Insurance[5]	$1,300 to $1,800	Lump sum or Payment schedule	Prior to opening	Approved Supplier or Third Party
Office Equipment and Supplies	$400 to $800	As incurred	As incurred	Third Parties
Vehicle Equipment Package[6]	$45,000 to $60,000	Lump sum	Prior to opening	Contractors or Approved Suppliers
Training Expenses[7]	$1,000 to $5,000	As incurred	Prior to and during opening	Third Parties
Professional Fees, Licenses and Permits[8]	$700 to $1,200	As incurred	As incurred	Third Parties
Additional Funds – 3 Months[9]	$24,000	As incurred	As incurred	Third Parties
Estimated Total	**$126,900 to $184,800**			

<u>Notes</u>:

These estimated initial expenses are our best estimate of the costs you may incur in establishing and operating your The Port of Peri Peri Restaurant. We do not offer direct or indirect financing for these items. None of the fees payable to us are refundable. Fees paid to vendors or other suppliers may or may not be refundable depending on their policies or your arrangements with them.

1. Your Initial Franchise Fee is $25,000 and is non-refundable. If for any reason you do not have a vehicle

for your The Port of Peri Peri Restaurant within six (6) months after signing your Franchise Agreement, we may terminate your Franchise Agreement at any time thereafter by giving you written notice. We describe your Initial Franchise Fee and when this fee is due in Item 5.

2. The high range of this estimate assumes that you will purchase a vehicle. The low range of this estimate assumes that you will lease the vehicle for your Restaurant and includes lease payments for the first three (3) months.

3. You must purchase a branded vinyl "wrap" to be installed on the vehicle from which you operate your The Port of Peri Peri Restaurant.

4. You must conduct an advertising campaign to promote the grand opening of your The Port of Peri Peri Food Truck. The advertising and marketing expenditure listed here must be spent between the date thirty (30) days prior to opening your Restaurant, and through the date 180 days thereafter.

5. The insurance you must maintain is described in Item 8. Our estimate does not include other insurance policies you may have to maintain under the terms of your lease or as may be required by law or other third parties. The unearned portions of the insurance premiums are generally refundable depending on your insurer.

6. This sum includes all necessary equipment and fixtures, signs, beverage systems, menu display boards, point-of-sale system and software and related items.

7. Travel, lodging, meals and other living expenses while attending The Port of Peri Peri training programs are not included in the fees you pay to us. We currently provide initial training of approximately three to four weeks duration, although the length of training may change at our discretion. We provide training at our principal place of business located in Villa Park, Illinois, and other geographical areas that we may designate from time to time. These amounts do not include any fees or expenses for training any other personnel.

8. This expense includes architectural fees, legal fees, accounting services, licenses, permits and administrative expenditures.

9. This is an estimate of your working capital requirements for the first three months of operation based on our affiliate's experience of opening and operating The Port of Peri Peri Restaurants as well as estimates provided to us by approved suppliers and other third parties. New businesses often generate a negative cash flow. Working capital for the first three months is estimated at $24,000, and includes general operating expenses, such as supplies, food and beverage products, packaging, payroll, payroll expenses, rent, Royalties and Ad Fund contributions, advertising, utilities, insurance, pest control, security, repairs, maintenance, complimentary sales and other costs. These amounts do not include any estimates for debt service.

C. YOUR ESTIMATED INITIAL INVESTMENT – EXPRESS PERI PERI MODEL

Type of Expenditure	Amount	Method of Payment	When Due	To Whom Payment is to be Paid
Initial Franchise Fee(1)	$25,000	Lump Sum	Upon signing the Franchise Agreement	Franchisor
Opening Inventory	$5,000 to $10,000	Lump sum	Prior to opening	Us and/or Affiliates
Lease Deposit(2)	$2,000 to $10,000	Lump sum	Upon signing of a lease, if applicable	Third Parties
Lease Rental Payments(3)	$4,000 to $6,000	As incurred	As incurred	Third Parties
Utility Installation(4)	$1,000 to $2,000	As incurred	As incurred	Third Parties
Leasehold Improvements(5)	$35,000 to $40,000	As incurred	As incurred	Third Parties
Grand Opening Advertising and Marketing(6)	$6,000 to $7,000	Lump sum	As incurred	Third Parties
Insurance(7)	$3,000 to $8,000	Lump sum or Payment schedule	Prior to opening	Approved Supplier or Third Party
Office Equipment and Supplies	$3,000 to $5,000	As incurred	As incurred	Third Parties
Equipment Package(8) (*furniture*, *fixtures*, *equipment*, *graphics package*, *signage*)	$50,000 to $95,000	Lump sum	Prior to opening	Contractors or Approved Suppliers
Training Expenses(9)	$1,000 to $5,000	As incurred	Prior to and during opening	Third Parties
Professional Fees, Licenses and Permits(10)	$1,000 to $5,000	As incurred	As incurred	Third Parties
Architectural Fees	$4,000 to $12,000	As agreed	As agreed	Approved Supplier or Thirty Party
Additional Funds – 3 Months(11)	$35,000	As incurred	As incurred	Third Parties

Type of Expenditure	Amount	Method of Payment	When Due	To Whom Payment is to be Paid
Estimated Total	**$175,000 to $265,000**			

Notes:

These estimated initial expenses are our best estimate of the costs you may incur in establishing and operating your The Port of Peri Peri Express. We do not offer direct or indirect financing for these items. None of the fees payable to us are refundable. Fees paid to vendors or other suppliers may or may not be refundable depending on their policies or your arrangements with them.

1. Your Initial Franchise Fee is $25,000 and is non-refundable. If for any reason you do not have a signed lease for your The Port of Peri Peri Express Restaurant within six months after signing your Franchise Agreement or you do not open your The Port of Peri Peri Express Restaurant within six months after you sign your lease (unless otherwise provided in the lease or as extended by us), we may terminate your Franchise Agreement at any time thereafter by giving you written notice. We describe your Initial Franchise Fee and when this fee is due in Item 5.

2. These figures presume that you will be leasing your premises. You will need to lease a site of approximately 400 to 1,200 square feet. We may allow or require variations to this size under certain circumstances. Your landlord will typically require a security deposit equal to one or two months' rent and may, in addition, require payment in advance of the first and/or last (or more) month's rent. These figures provide the estimated amount of the security deposit for a location meeting our typical size requirements.

3. Again, these figures presume that you will be leasing your premises and that your premises will be approximately 400 to 1,200 square feet. The expenses of leasing will vary depending upon the size of the premises, its location (for example, downtown, mall, suburban or rural), landlord contributions and the requirements of individual landlords. The estimated total initial investment shown in the chart above includes three months' rent for your initial period of operation.

4. This item does not include utility deposits. In some areas, some utility companies do not require utility deposits. Where required, these deposits may be refundable by the utility providers.

5. The cost of leasehold improvements will vary depending on numerous factors including the size and configuration of the premises and pre-construction and construction costs. The low end of this range presumes that the premises was formerly used as a restaurant and therefore the space is finished and outfitted with many of the fixtures necessary for the operation of a The Port of Peri Peri Restaurant and/or your landlord will provide a partial build-out allowance.

6. You must conduct an advertising campaign to promote the grand opening of your The Port of Peri Peri Restaurant. The advertising and marketing expenditure listed here must be spent between the date thirty (30) days prior to opening your Restaurant, and through the date 180 days thereafter.

7. The insurance you must maintain is described in Item 8. Our estimate does not include other insurance policies you may have to maintain under the terms of your lease or as may be required

by law or other third parties. The unearned portions of the insurance premiums are generally refundable depending on your insurer.

8. This sum includes all necessary equipment and fixtures, signs, beverage systems, menu display boards, point-of-sale system and software and related items.

9. Travel, lodging, meals and other living expenses while attending The Port of Peri Peri training programs are not included in the fees you pay to us. We currently provide initial training of approximately three to four weeks duration, although the length of training may change at our discretion. We provide training at our principal place of business located in Villa Park, Illinois, and other geographical areas that we may designate from time to time. These amounts do not include any fees or expenses for training any other personnel.

10. This expense includes architectural fees, legal fees, accounting services, licenses, permits and administrative expenditures.

11. This is an estimate of your working capital requirements for the first three months of operation based on our affiliate's experience of opening and operating The Port of Peri Peri Restaurants as well as estimates provided to us by approved suppliers and other third parties. New businesses often generate a negative cash flow. Working capital for the first three months is estimated at $35,000, and includes general operating expenses, such as supplies, food and beverage products, packaging, payroll, payroll expenses, rent, Royalties and Ad Fund contributions, advertising, utilities, insurance, pest control, security, repairs, maintenance, complimentary sales and other costs. These amounts do not include any estimates for debt service.

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D. YOUR ESTIMATED INITIAL INVESTMENT – COMMISSARY MODEL

Type of Expenditure	Amount	Method of Payment	When Due	To Whom Payment is to be Paid
Initial Franchise Fee[1]	$25,000	Lump Sum	Upon signing the Franchise Agreement	Franchisor
Opening Inventory	$5,000 to $10,000	Lump sum	Prior to opening	Us and/or Affiliates
Lease Deposit[2]	$2,000 to $10,000	Lump sum	Upon signing of a lease, if applicable	Third Parties
Lease Rental Payments[3]	$6,000 to $10,000	As incurred	As incurred	Third Parties
Utility Installation[4]	$1,000 to $2,000	As incurred	As incurred	Third Parties
Leasehold Improvements[5]	$5,000 to $15,000	As incurred	As incurred	Third Parties
Grand Opening Advertising and Marketing[6]	$6,000 to $7,000	Lump sum	As incurred	Third Parties
Insurance[7]	$3,000 to $8,000	Lump sum or Payment schedule	Prior to opening	Approved Supplier or Third Party
Office Equipment and Supplies	$3,000 to $5,000	As incurred	As incurred	Third Parties
Equipment Package[8] (*furniture*, *fixtures*, *equipment*, *graphics package, signage*)	$50,000 to $95,000	Lump sum	Prior to opening	Contractors or Approved Suppliers
Training Expenses[9]	$1,000 to $5,000	As incurred	Prior to and during opening	Third Parties
Professional Fees, Licenses and Permits[10]	$1,000 to $5,000	As incurred	As incurred	Third Parties
Architectural Fees	$600 to $2,500	As agreed	As agreed	Approved Supplier or Third Party
Additional Funds – 3 Months[11]	$35,000	As incurred	As incurred	Third Parties

Type of Expenditure	Amount	Method of Payment	When Due	To Whom Payment is to be Paid
Estimated Total	**$143,600 to $234,500**			

Notes:

These estimated initial expenses are our best estimate of the costs you may incur in establishing and operating your The Port of Peri Peri Commissary. We do not offer direct or indirect financing for these items. None of the fees payable to us are refundable. Fees paid to vendors or other suppliers may or may not be refundable depending on their policies or your arrangements with them.

1. Your Initial Franchise Fee is $25,000 and is non-refundable. If for any reason you do not have a signed lease for your The Port of Peri Peri Commissary within six months after signing your Franchise Agreement or you do not open your The Port of Peri Peri Commissary within six months after you sign your lease (unless otherwise provided in the lease or as extended by us), we may terminate your Franchise Agreement at any time thereafter by giving you written notice. We describe your Initial Franchise Fee and when this fee is due in Item 5.

2. These figures presume that you will be leasing your premises. You will need to lease a site of approximately 200 to 250 square feet. We may allow or require variations to this size under certain circumstances. Your landlord will typically require a security deposit equal to one or two months' rent and may, in addition, require payment in advance of the first and/or last (or more) month's rent. These figures provide the estimated amount of the security deposit for a location meeting our typical size requirements.

3. Again, these figures presume that you will be leasing your premises and that your premises will be approximately 200 to 250 square feet. The expenses of leasing will vary depending upon the size of the premises, its location (for example, downtown, mall, suburban or rural), landlord contributions and the requirements of individual landlords. The estimated total initial investment shown in the chart above includes three months' rent for your initial period of operation.

4. This item does not include utility deposits. In some areas, some utility companies do not require utility deposits. Where required, these deposits may be refundable by the utility providers.

5. The cost of leasehold improvements will vary depending on numerous factors including the size and configuration of the premises and pre-construction and construction costs. The low end of this range presumes that the premises was formerly used as a restaurant and therefore the space is finished and outfitted with many of the fixtures necessary for the operation of a The Port of Peri Peri Restaurant and/or your landlord will provide a partial build-out allowance.

6. You must conduct an advertising campaign to promote the grand opening of your The Port of Peri Peri Restaurant. The advertising and marketing expenditure listed here must be spent between the date thirty (30) days prior to opening your Restaurant, and through the date 180 days thereafter.

7. The insurance you must maintain is described in Item 8. Our estimate does not include other insurance policies you may have to maintain under the terms of your lease or as may be required

by law or other third parties. The unearned portions of the insurance premiums are generally refundable depending on your insurer.

8. This sum includes all necessary equipment and fixtures, signs, beverage systems, menu display boards, point-of-sale system and software and related items.

9. Travel, lodging, meals and other living expenses while attending The Port of Peri Peri training programs are not included in the fees you pay to us. We currently provide initial training of approximately three to four weeks duration, although the length of training may change at our discretion. We provide training at our principal place of business located in Villa Park, Illinois, and other geographical areas that we may designate from time to time. These amounts do not include any fees or expenses for training any other personnel.

10. This expense includes architectural fees, legal fees, accounting services, licenses, permits and administrative expenditures.

11. This is an estimate of your working capital requirements for the first three months of operation based on our affiliate's experience of opening and operating The Port of Peri Peri Restaurants as well as estimates provided to us by approved suppliers and other third parties. New businesses often generate a negative cash flow. Working capital for the first three months is estimated at $35,000, and includes general operating expenses, such as supplies, food and beverage products, packaging, payroll, payroll expenses, rent, Royalties and Ad Fund contributions, advertising, utilities, insurance, pest control, security, repairs, maintenance, complimentary sales and other costs. These amounts do not include any estimates for debt service.

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E. YOUR ESTIMATED INITIAL INVESTMENT[1] – DEVELOPMENT AGREEMENT

<table>
<tr><th>Type of Expenditure</th><th colspan="2">Amount</th><th>Method of Payment</th><th>When Due</th><th>To Whom Payment Is to be Made</th></tr>
<tr><td rowspan="3">Initial Development Fee[2]</td><td>3</td><td>$85,000</td><td rowspan="3">Lump Sum</td><td rowspan="3">Upon execution of Development Agreement</td><td rowspan="3">Franchisor</td></tr>
<tr><td>5</td><td>$135,000</td></tr>
<tr><td>10</td><td>$260,000</td></tr>
<tr><td>Initial Investment to Open Initial Restaurant[3]</td><td colspan="2">$187,000 to $426,000</td><td colspan="3">See Chart A of this Item 7.</td></tr>
<tr><td rowspan="3">TOTALS</td><td>3</td><td>$272,000 to $511,000</td><td colspan="3" rowspan="3">This is the total estimated initial investment to enter into a Development Agreement for the right to own a total of three (3) Restaurants, as well as the costs to open and commence operating your initial Traditional Restaurant for the first three (3) months (as described more fully in Chart A of this Item 7).</td></tr>
<tr><td>5</td><td>$322,000 to $561,000</td></tr>
<tr><td>10</td><td>$447,000 to $686,000</td></tr>
</table>

Explanatory Notes

1. General Note. All fees and payments are non-refundable, unless otherwise stated or permitted by the payee. This Chart details the estimated initial investment associated with executing a Development Agreement for the right to own and operate three (3) Restaurants, as well as the initial investment to open your first Restaurant under your Development Schedule.

2. Development Fee. The Initial Development Fee is described in greater detail in Item 5 of this Disclosure Document, and this Initial Development Fee is for the right to open and operate a total of three (3) Restaurants (provided you comply with your development obligations under the Development Agreement). If you choose to open more than three (3) Restaurants, your Initial Development Fee will be calculated as follows: $35,000 for the Initial Restaurant that we will grant you the right to open and operate under the Development Agreement, plus $25,000 for each Additional Restaurant that you are granted the right to open under the Development Agreement.

3. Initial Investment to Open Initial Restaurants. This figure represents the total estimated initial investment required to open the initial Restaurant you agreed to open and operate under the Development Agreement. You will be required to enter into our then-current form of franchise agreement for the initial Restaurant you open under your Development Agreement, most likely once you have found a Premises for the business that we approve. The range includes all the items outlined in Chart 7.A. of this Item, except for the Initial Franchise Fee (because you are not required to pay any Initial Franchise Fee for those Restaurants you open under the Development Agreement). It does not include any of the costs you will incur in opening any additional Restaurants that you are granted the right to open and operate under your Development Agreement.

ITEM 8
RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

Generally

To ensure that uniform and high standards of quality and service are maintained, you must operate your The Port of Peri Peri Restaurant in strict conformity with our methods, standards and specifications, which are identified in the Franchise Manual. You must not deviate from these methods, standards and specifications without our prior written consent, which may be withheld in our sole discretion, nor may you otherwise operate in any manner that reflects adversely on the Marks or the System. The Franchise Manual sets forth our methods, standards and specifications for all goods and services we require you to obtain in establishing and operating your The Port of Peri Peri Restaurant.

We may notify you of new or modified methods, standards and specifications through periodic amendments or supplements to the Franchise Manual or through written communication (including electronic communication). We will issue a copy of our methods, standards and specifications to you and to approved and proposed suppliers, unless these methods, standards and specifications contain our confidential information.

Required and Approved Products and Suppliers

You must purchase certain goods, services, supplies, insurance, furnishings, fixtures, equipment and inventory only from us or suppliers we have approved ("Approved Suppliers"), who may have their own terms and conditions of sale. Currently, you must purchase food inventory (including chicken), spices, gift cards, menus, kitchen equipment and items, disposable products, and branded materials from us or an Approved Supplier. The Franchise Manual will contain a list of Approved Suppliers. You are prohibited from buying or selling goods, services, supplies, fixtures, equipment or inventory from or to any other current or former The Port of Peri Peri franchisee without notifying us and receiving our written authorization, which we may withhold in our sole discretion. You must purchase, install, maintain in sufficient supply, and use only furnishings, fixtures, equipment, signs and supplies that conform to the standards and specifications described in the Franchise Manual or otherwise by us in writing. Other than the requirements above and in the Franchise Manual, you are not obligated to purchase or lease any goods, services, supplies, furnishings, fixtures, equipment, inventory or real estate from us or any other specifically designated source.

We formulate and modify, at our sole discretion, specifications and standards that we impose on franchisees and suppliers. Specifications and standards are issued to franchisees through the Franchise Manual or through written communication (including electronic communication), and to suppliers by written agreement. If you desire to use an alternate supplier, you must make a written request to us for approval, which approval will not be unreasonably withheld. Our approval for such a request must be given in writing.

Site Selection

You must select a site for your The Port of Peri Peri Restaurant that conforms to our standard site selection criteria set forth in the Franchise Manual and which we will ultimately accept or reject in our sole discretion.

Lease of Premises

If your Restaurant will be a brick and mortar model, we have the right to approve the terms of any lease or sublease for your The Port of Peri Peri Restaurant Premises. We will authorize you to execute a lease with the owner of the Premises that is acceptable to both you and us only if you and the landlord execute an Addendum of Lease attached as Exhibit C to the Franchise Agreement and a Franchisor Addendum, in favor of us, or alternatively provide similar language in the executed lease. Any lease that you sign must be exclusively for the operation of a The Port of Peri Peri Restaurant and must provide, either through the Franchisor Addendum or under similar terms in the lease, that upon termination or expiration of your franchise for any reason, we will have the right, but not the obligation, to assume the lease and replace you as tenant. You must agree to sign any documents required to assign the lease to us or our designee. Our approval of your lease or sublease does not mean that we have passed judgment on the legality, economics or rental terms of the lease.

Development of the Premises

You are responsible for developing your The Port of Peri Peri Restaurant and for all expenses associated with it. Promptly after obtaining possession of the site for your The Port of Peri Peri Restaurant, you must obtain all required zoning changes and all required building, driveway, utility, health, sanitation and signage permits. You also must complete development of and have your The Port of Peri Peri Restaurant ready to open and begin operations within a reasonable time, but not more than six months after you sign your lease. We may, however, in our sole discretion, extend this period for matters not within your control or for other mutually agreed upon grounds, or for a shorter or longer period as specified in the lease. We must inspect and approve your The Port of Peri Peri Restaurant before opening.

Purchase or Lease of Equipment, Furniture, Fixtures and Signs

The furniture, fixtures, equipment and exterior and interior signs required for your The Port of Peri Peri Restaurant must conform to our specifications, which may include minimum standards for delivery, performance, designs and appearance, and local zoning, signage and other restrictions. You must purchase or lease original and replacement furniture, fixtures, equipment and signage meeting our specifications from sources that we have approved in writing. You must notify us before dealing with any sources that we have not previously approved, and we may require submission of sufficient specifications, photographs, drawings and/or information and samples to determine whether those items meet our specifications. We may, at our sole option, provide you with specifications and minimum standards for all, or portions of, the construction, design and layout of your The Port of Peri Peri Restaurant, which you must follow.

Products, Supplies and Materials; Approval of Alternative Products and Suppliers

Your The Port of Peri Peri Restaurant may use and offer for sale only food products, beverages, ingredients, uniforms, packaging materials, menus, forms, labels and other supplies from Approved Suppliers or other suppliers that we approve in writing. None of our officers owns an interest in any of the Approved Suppliers except as set forth in this Item 8. You must use the point of sale system we designate (currently, Clover POS), and we reserve the right to change the designated point of sale system in the future.

We may periodically update the list of Approved Suppliers in the Franchise Manual or through written communication (including electronic communication). If you wish to purchase any source restricted items from a supplier other than us or an Approved Supplier, you must submit to us a written request for approval or you must arrange for the supplier to submit the request. These requests must contain a covenant to conform at all times to our standards and specifications in effect from time to time.

We may require, as a condition of our approval of the supplier, that our representatives be permitted to inspect the supplier's facilities, and that the supplier deliver samples, at our option, to us for testing. The samples must demonstrate, to our sole satisfaction, an ability to meet our standards and specifications. Either you or the supplier seeking approval must pay us a charge, to be not more than the cost of the inspection and testing, and we will not be liable for damage to any sample that may result from the testing process.

The supplier must also demonstrate to us the existence of quality controls, and the financial and managerial capacity to supply your needs promptly and reliably. We reserve the right, and the supplier must agree, as a condition to our approval, at our option, to allow us to re-inspect the facility and to retest the products at any time, without prior notice and without liability, and regardless of any contractual arrangement between you and the supplier. We will notify you of our approval or disapproval of a supplier you propose within 30 days after submission of the necessary information to us. We may revoke our approval at any time if the supplier fails to continue to meet our criteria.

We reserve the right to be either the sole source of supply, or the sole designator of suppliers that will provide food products, ingredients or mixes involving trade secrets, confidential formulae or confidential recipes. We have no obligation to release any trade secret, confidential formula or confidential recipe to you or any other supplier. We have the right to profit from your purchases of food products, ingredients or mixes involving trade secrets, confidential formulae or confidential recipes. Currently, we are the sole approved supplier of (a) certain proprietary spice mixes and (b) gift cards and related supplies.

We estimate that the purchase of supplies, inventory, furnishings, fixtures, equipment, goods, services and products from us or our Approved Suppliers, or those meeting our standards and specifications, will be 90% of your total initial cost and between 90% to 95% of the total ongoing costs to operate your The Port of Peri Peri Restaurant.

Cooperatives

As of the Issuance Date of this Franchise Disclosure Document we do not have any purchasing or distribution cooperatives. We do not provide material benefits, such as renewing or granting additional franchises to franchisees based on their use of Approved Suppliers' products or services.

Negotiated Prices; Revenue from Franchisee Purchases

We and/or our affiliates may receive payments or other compensation from approved suppliers on account of the suppliers' dealings with us, you, or other Restaurants in the System, such as rebates, commissions or other forms of compensation. We may use amounts that we receive from suppliers for any purpose that we deem appropriate. We and/or our affiliates may negotiate supply contracts with our suppliers under which we are able to purchase products, equipment, supplies, services and other items at a price that will benefit us and our franchisees. During our previous fiscal year ending December 31, 2020, we derived $42,603.42 in revenue, or 4.7% of our total revenue of $905,147, on account of franchisees' required purchases.

Specifications, Standards and Procedures

You agree to operate your The Port of Peri Peri Restaurant exclusively as a The Port of Peri Peri Restaurant, in strict conformity with the Franchise Manual. You must not engage in any other type of business at your The Port of Peri Peri Restaurant location. You must equip, maintain, staff and operate your The Port of Peri Peri Restaurant strictly in accordance with the methods, procedures and techniques that we establish from time to time in the Franchise Manual or otherwise. You must maintain your The Port of Peri Peri Restaurant and its appearance in a clean and orderly manner, consistent with the operation of a quality The Port of Peri Peri Restaurant, and in accordance with our directives, which we may deem necessary in our sole discretion to protect the standards of quality and uniformity we establish for the System. You also must conform to all standards of quality and service that we prescribe to sustain the goodwill and prestige that the Marks enjoy with the public.

We reserve the right, in our sole discretion, to modify the System and the Franchise Manual from time to time, including without limitation, the adoption and use of new or modified logos, trade names, service marks or copyrighted materials, new food items, new products, new recipes or techniques or new equipment. You recognize our right to make any such modifications or changes and you agree to accept, implement, use and display such changes and modifications at your expense. You agree that you will make all changes or modifications that we may require from time to time within a reasonable time after notice from us.

Advertising by Franchisee

You may not engage in any advertising program or use any other advertising, including local advertising placed on television, print, internet, social media or any other media, or prepare or use any marketing materials, unless we have approved such advertising or marketing materials in writing, or we have provided otherwise in the Franchise Agreement or the Franchise Manual.

Pricing and Promotion Requirements

We reserve the right, subject to restrictions imposed under applicable law, to require Restaurants in the System to offer all products, items and services at prices not to exceed the prices we publish from time to time. System Restaurants are required to offer and participate in a customer rewards program and must comply with participation rules and regulations we establish for the program. We reserve the right to change the rules and regulations for these programs in our sole discretion at any time. You will also be required to honor member rewards issued pursuant to our member rewards program.

Insurance

You must purchase and maintain the types and amounts of insurance that we designate in our Manuals or otherwise in writing (or such greater amounts of insurance as may be required by the terms of any lease or mortgage related to the Premises), including, without limitation, the following: (i) fire, extended coverage, vandalism, malicious mischief and special extended peril insurance at no less than the replacement value of the building (if owned), the contents, and improvements of the Restaurant; (ii) workers' compensation and other insurance required by law; (iii) commercial general liability insurance on an "occurrence" form covering all operations by or on behalf of you, providing insurance for bodily injury liability, property damage liability and personal injury liability for the limits of liability indicated below and included coverage for: (a) premises and operations liability; (b) independent contractors protective liability; and (c) blanket contractual liability insuring the obligations assumed by you under the Franchise Agreement; (iv) automobile liability insurance, including non-owned automobiles, with limits of liability not less than \$1,000,000 combined single limit each accident for bodily injury and property damage combined; and (v) fire legal liability, with a minimum coverage of \$300,000, unless you own the Premises or have a cross-waiver of subrogation with your landlord. The limit of liability required for the policies specified in (iii) above are: (i) \$1,000,000 each occurrence (combined single limit for bodily injury and property damage); (ii) \$1,000,000 personal injury liability; (iii) \$1,000,000 aggregate for products – completed operations; and (iv) \$2,000,000 general aggregate. Except with respect to bodily injury and property damage included within the products and completed operations hazards, the aggregate limit must apply separately to each location if you operate at more than one location pursuant to multiple franchise agreements with us. You are also required to maintain an umbrella policy with a minimum of \$1,000,000 of coverage, which must expressly provide coverage above the coverages listed above. We must be named as an additional insured on all your policies. These are only the minimum coverages required. We do not represent or warrant that these coverages are adequate. You should consult with your insurance advisors to assure that you obtain all required coverages as well as any additional types of coverages or higher limits that they may recommend.

All insurance policies must be issued by carriers we have approved and who are authorized to do business in the state where your The Port of Peri Peri Restaurant is located, must contain the types and minimum amounts of coverage, exclusions and maximum deductibles as we prescribe from time to time, must name us as additional insured, must provide for 30 days' prior written notice to us of any material modification, cancellation or expiration of such policy and must include all other provisions we may require from time to time.

Computer Equipment

You must purchase or lease a computer or electronic cash register and software program ("POS") that we approve. Currently, you must purchase your POS equipment and software from Clover POS, but we reserve the right to designate an alternative supplier. You may not use any hardware or software in the operation of your The Port of Peri Peri Restaurant (unless otherwise required by the Franchise Agreement or the Franchise Manual) without our prior approval, which approval we may withhold in our sole discretion.

ITEM 9
FRANCHISEE'S OBLIGATIONS

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

In the table below, "FA" means the Franchise Agreement.

Obligation		Section in Franchise Agreement	Section in Development Agreement	Franchise Disclosure Document Item
a.	Site selection and acquisition/lease	Sections 2, 5 and 6	Section 1 and Exhibit A	Item 11
b.	Pre-opening purchases/leases	Sections 5 and 6	Nothing Additional (see Franchise Agreements signed)	Items 5 and 7
c.	Site development and other pre-opening requirements	Sections 2, 5 and 6	Sections 1, 5 and Exhibit A of the Development Agreement	Items 5, 6, 7, 8 and 11

Obligation		Section in Franchise Agreement	Section in Development Agreement	Franchise Disclosure Document Item
d.	Initial and ongoing training	Sections 5 and 6	Nothing Additional (see Franchise Agreements signed)	Item 11
e.	Opening	Sections 5 and 6	Nothing Additional (see Franchise Agreements signed)	Items 8 and 11
f.	Fees	Sections 3, 4, 5, 9, 10, 11 and 13(E)	Section 2	Items 5 and 6
g.	Compliance with standards and policies/operating manual	Sections 5 and 6	Nothing Additional (see Franchise Agreements signed)	Items 8 and 11
h.	Trademarks and proprietary information	Section 7	Nothing Additional (see Franchise Agreements signed)	Items 13 and 14
i.	Restrictions on products/services offered	Sections 5 and 6	Nothing Additional (see Franchise Agreements signed)	Item 16
j.	Warranty and customer service requirements	Section 6	Nothing Additional (see Franchise Agreements signed)	Item 11

Obligation		Section in Franchise Agreement	Section in Development Agreement	Franchise Disclosure Document Item
k.	Territorial development and sales quotas	Not Applicable	Section 1 and Exhibit A of the Development Agreement	Item 12
l.	Ongoing product/service purchases	Sections 4, 5 and 6	Nothing Additional (see Franchise Agreements signed)	Item 8
m.	Maintenance, appearance and remodeling requirements	Section 6	Nothing Additional (see Franchise Agreements signed)	Item 11
n.	Insurance	Sections 6 and 11	Nothing Additional (see Franchise Agreements signed)	Item 8
o.	Advertising	Sections 4, 5, 6 and 9	Nothing Additional (see Franchise Agreements signed)	Item 11
p.	Indemnification	Section 11	Nothing Additional (see Franchise Agreements signed)	Item 6
q.	Owner's participation/management/staffing	Section 6	Nothing Additional (see Franchise Agreements signed)	Item 15

	Obligation	Section in Franchise Agreement	Section in Development Agreement	Franchise Disclosure Document Item
r.	Records/reports	Sections 4, 6 and 10	Nothing Additional (see Franchise Agreements signed)	Item 11
s.	Inspections/audits	Section 5 and 10	Nothing Additional (see Franchise Agreements signed)	Item 8
t.	Transfer	Section 13	Section 8	Item 17
u.	Renewal	Section 3	Nothing Additional (see Franchise Agreements signed)	Items 6 and 17
v.	Post-termination obligations	Sections 14(B) and 16	Nothing Additional (see Franchise Agreements signed)	Item 17
w.	Non-competition Covenants	Section 14	Nothing Additional (see Franchise Agreements signed)	Items 14, 15 and 17
x.	Dispute resolution	Sections 19 and 21	Sections 11 through 16	Item 17
y.	Other: Guarantee of franchisee obligations	Exhibit B	Nothing Additional (see Franchise Agreements signed)	Item 1

ITEM 10
FINANCING

We do not offer direct or indirect financing. We do not guarantee your note, lease or any other obligations.

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

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

Our Pre-Opening Assistance to you:

After you sign your Franchise Agreement and before you open your The Port of Peri Peri Restaurant, we or our designees will:

1. Grant you the right to use the Marks in connection with your The Port of Peri Peri Restaurant (Franchise Agreement, Sections 2 and 7).

2. Provide your location research and assistance in selecting your site as we deem advisable, including real estate and demographic analysis, subject to the availability of our personnel (Franchise Agreement, Section 2(B)).

3. Designate a Designated Territory (defined in Item 12) for your The Port of Peri Peri Restaurant (Franchise Agreement, Section 2(D) and Exhibit A).

4. Provide typical floor plans and site build-out specifications for the construction of your The Port of Peri Peri Restaurant and assist you with the design and layout of your The Port of Peri Peri Restaurant (Franchise Agreement, Section 6(D)).

5. Provide you (or, if you are not an individual, then a shareholder, member or partner of your business entity designated by you to participate personally in your The Port of Peri Peri Restaurant) and one of your managers with initial training. (Franchise Agreement, Section 5(A)).

6. Make available to you, from time to time, such additional training programs as we, in our sole discretion, may choose to conduct. Attendance at additional training may be mandatory. The cost of conducting additional training (instruction and required materials) is borne by us. All other expenses, including travel, meals and lodging and your employee wages, will be paid by you. (Franchise Agreement, Section 5(D)).

7. Provide pre-opening and grand opening assistance at your The Port of Peri Peri Restaurant with designated staff and/or our trainers. (Franchise Agreement, Section 5(B)).

8. Counsel you on necessary start-up and inventory items and assist you with ordering your initial supplies and products that are necessary for commencement of operations (Franchise Agreement, Section 5(E)).

9. Give you access to the Franchise Manual. The Table of Contents for the Franchise Manual is attached as Exhibit E to this Franchise Disclosure Document (Franchise Agreement, Section 5(E)).

Our Continuing Assistance to You:

During your operation of your The Port of Peri Peri Restaurant, we or our designees will:

1. Provide you periodic operating assistance with respect to the System, including improvements and other changes to the System as we deem advisable. This assistance may include advice and guidance regarding food preparation and supplying menus and food recipes, preparation and requirements, advertising and promotions and evaluating and testing new food developments (Franchise Agreement, Section 5(B).

2. Furnish you, from time to time, other manuals, business information and literature as we determine may be helpful in improving the operation of your The Port of Peri Peri Restaurant, all of which will be incorporated into and become a part of the Franchise Manual (Franchise Agreement, Section 5(E)).

3. Provide you additional instructional and training materials that we determine may be helpful in improving the operation of your The Port of Peri Peri Restaurant (Franchise Agreement, Section 5(D)).

4. On a periodic basis as we deem advisable, conduct inspections of your The Port of Peri Peri Restaurant and its operations and evaluate the methods employed (Franchise Agreement, Section 5(L)).

Time to Open

It is estimated that the length of time between your signing your Franchise Agreement and signing your lease for your The Port of Peri Peri Restaurant will be approximately three to six months. Factors affecting this length of time include your financing arrangements, availability of retail opportunities within your market, scheduling and your successful completion (in our determination) of the training program. If extenuating circumstances beyond your control exist, such as a delay in your ability to obtain a lease for your The Port of Peri Peri Restaurant, your serious illness or other circumstances, we may (in our sole discretion) agree to extend that time period for an additional reasonable amount of time. You must complete development of and have your The Port of Peri Peri Restaurant ready to open and begin operations within a reasonable time, but not more than six (6) months after you sign your lease and within 1 year of executing your franchise agreement. Factors that affect opening time are the ability to obtain a lease, financing, or building permits, zoning, and local ordinances. We may terminate your Franchise Agreement for your failure to make a first sale from your The Port of Peri Peri Restaurant within that time period. (Franchise Agreement, Section 6(A)).

Computer Systems

You must use the POS we require to track your food and beverage sales and, optionally, your inventory. The following minimum specifications are required:

- Two POS Stations we designate (currently, we require use of Clover (First Data) Stations), each of which must include a touch screen, encrypted swiper, cash drawer and a high-resolution camera for barcode and QR code scanning;
- Two thermal printers;
- One non-thermal printer;
- One tablet for our in-house The Port of Peri Peri app; and
- One tablet to manage online delivery partner orders from Otter

We will require you to purchase or lease two (2) POS systems. You must also purchase, lease and/or license the required dedicated telephone lines, printers and other computer-related accessories or peripheral equipment or apps as we specify from time to time. You may not use any hardware or software in the operation of your The Port of Peri Peri Restaurant (except you may use a desktop or laptop computer of your choosing) without our prior approval, which approval may be withheld in our sole discretion.

We estimate the cost of purchasing this software and computer equipment to be between $1,800 and $2,000, plus installation costs of approximately $100, and an annual software subscription or license fee estimated to be between $100 and $200.

We also collect a monthly technology fee (the "Technology Fee"), which is currently $275 per month. The Technology Fee is payable to us and covers application subscriptions, website maintenance, etc. (Phone app subscription fee).

You must install and maintain equipment and a high-speed internet connection to permit your POS to link to the cloud. We have the right to independently access your electronic information through the cloud and to use your electronic information and data in any manner we deem necessary or desirable to monitor your compliance with the Franchise Agreement and to promote or develop the System and the sale of franchises. There is no contractual limitation on our right to receive or use information we obtain from your The Port of Peri Peri Restaurant. (Offer & maintain a public wi-fi through your ISP)

You must assist us and any of our designees in connecting your computer system with our computer system or the computer system of a third-party data collection service that we designate. We may retrieve and use the data and information from your computer system as we, in our sole discretion, deem desirable, and you must bear the cost of telephonic retrieval. In view of the contemplated interconnection of computer systems and the necessity that our systems be compatible with each other, you must purchase, lease and/or license any additional software or hardware necessary to complete the interconnection between your POS and our computers.

We have developed a proprietary mobile application for Android and Apple mobile devices which interfaces with your POS System. You must ensure the POS System is set up to communicate with customer's mobile apps, receive orders via the app, track and award reward points, facilitate the sale and redemption of gift cards, and meet any other standards or specifications we may prescribe in the future either through updates to the Manuals or otherwise. Purchase and manage a tablet to operate the phone app as well as access manuals, when provided access to.

To ensure full operational efficiency and optimum communication capability between and among computer systems, you must, at your expense, keep your POS in good condition, and promptly install all additions, changes, modifications, substitutions or replacements to hardware, software, telephone and power lines, and other computer-related facilities, as we may direct from time to time. The cost to upgrade the hardware and maintain or upgrade the software of your POS depends on the needs of the System, and technological developments, none of which we can predict at this time and which are subject to change. You may be required to upgrade your POS approximately every two to three years due to improvements in hardware and software, advances in technology, memory requirements and changes to the System. There is no limitation on the frequency or cost of this obligation. Other than as specified in this paragraph, neither we nor any affiliate or third-party vendor have any ongoing obligation to provide ongoing maintenance, upgrades or updates to your POS. You must obtain and pay for your own technical support for your POS.

Site Selection

You are responsible for locating a site for your The Port of Peri Peri Restaurant subject to our site selection process, criteria, review and acceptance. Your selection of a site for your The Port of Peri Peri Restaurant is subject to our acceptance. If we cannot agree on a site for your The Port of Peri Peri Restaurant, you franchise agreement will be terminated and your initial fee(s) will be forfeited. Under each franchise agreement that you enter into pursuant to the development agreement, we will approve the location of each Restaurant and the then-current standards for locations and territories will apply. Before leasing or purchasing the site for your The Port of Peri Peri Restaurant, you must submit to us, in the form we specify, a description of the site, together with other information and materials we may reasonably require. We will endeavor to approve or disapprove the site within 30 days after we receive the information and materials to evaluate the proposed site. If we have not approved the site within 30 days, the site will have been automatically disapproved. If we disapprove of the proposed site, you must select another site, subject to our consent. If we cannot agree on a site for your Restaurant, if you do not sign a lease for the selected site within six months of your signing of your Franchise Agreement, or open your The Port of Peri Peri Restaurant for business within six months after signing your lease, we may terminate your Franchise Agreement. You agree to open and begin operation of your The Port of Peri Peri Restaurant no later than 30 days following completion of the build out and equipping of your The Port of Peri Peri Restaurant. (Franchise Agreement, Section 6(A)).

You also must submit for review and approval any sale or lease contract before you sign it. We will consult with you on our current site selection guidelines and provide other site selection counseling as we deem advisable. Although we will consult with you on your site and require that your site be subject to our final authorization, you have the ultimate responsibility in choosing, obtaining and developing the site for your The Port of Peri Peri Restaurant. We do not typically own or lease the premises for the Restaurant to you. (Franchise Agreement, Section 6(A)).

You may not lease or purchase a site for your The Port of Peri Peri Restaurant until after we have approved the site. The factors we consider in approving a site include but are not limited to location, size, suitability, layout, access and visibility, proximity to other businesses, location and nature of competitors, population density and demographics, vehicle traffic, pedestrian traffic, existing tenant mix, parking convenience and any other factors that may be relevant to your market. The same site selection criteria will generally be applicable to all franchisees. (Franchise Agreement, Section 6(A)).

You must provide us with the following in connection with our evaluation of a proposed site: a letter of intent for your lease or purchase of the proposed site, a complete site submittal or similar materials in the form we designate, pictures of the proposed site, a construction budget, traffic counts, a breakeven analysis, a copy of the proposed lease for any leased site and any other materials we may request.

Once we have approved your location, we will designate it on the Data Sheet attached to your Franchise Agreement and such location shall be the only premises from which you are authorized to operate your The Port of Peri Peri Restaurant. Once you have secured the Premises of your Restaurant, we will define the Designated Territory on the Data Sheet attached to your Franchise Agreement. We will do the same for each additional The Port of Peri Peri Restaurant you open.

You and the lessor will be required to agree to and sign the Franchisor Addendum attached to the Franchise Agreement as Exhibit C. You will provide us with a copy of your executed lease. You will provide us the names and contact information of your landlord and/or management companies of any of the sites of your The Port of Peri Peri Restaurant. We reserve the right to contact your landlord and/or management company for the purposes of assessing your performance and customer satisfaction.

Training

Prior to opening your The Port of Peri Peri Restaurant, you (or if you are not an individual, then a shareholder, member or partner of your business entity designated by you) and at least one designated management employee for one store and two for each additional restaurant must attend and complete, to our satisfaction, The Port of Peri Peri initial training. All personal expenses, including without limitation, travel, food and lodging costs, will be paid by you (Franchise Agreement, Section 5(A)). Should the number of trained personnel for a store fall below the minimum requirement of two, within 60 days thereafter, another shareholder, member, partner or manager must complete initial training to our satisfaction.

We provide our initial training program to you to protect the System, the Marks and our goodwill, not to control the day-to-day operations of your The Port of Peri Peri Restaurant. Our initial training program consists of online, classroom and hands-on training covering all phases of The Port of Peri Peri Restaurant operations, including food and inventory purchasing, food preparation, equipment operation and maintenance, relations with employees and customers, basic techniques of management and merchandising and preparation of records and reports. In-store initial training is usually conducted at the The Port of Peri Peri Restaurant owned by our affiliate and located in Villa Park, Illinois, or a location we may select from time to time, for a period seven (7) days, depending on the background and experience of the trainee. Training is conducted according to our training schedule, which is usually monthly. The initial training program must be completed to our satisfaction at least thirty (30) days prior to the opening of your The Port of Peri Peri Restaurant.

Our training is supervised by Syed N. Pasha and various team members. Mr. Pasha has approximately 3 years general experience in the field of restaurant business management and training and has been with us since our inception in December 2019. Other representatives and members of our operations, development and marketing teams, and related personnel, may conduct certain portions of training. Each of our instructors listed above, or whom we may designate from time to time, has or will have demonstrated to us satisfactory knowledge of the topics he or she instructs, has experience in the fields of his or her topics and is overseen and reviewed by our training supervisors. The minimum amount of training any instructor will have is 1 year.

You must replace any manager who fails to successfully complete a training program or who in our opinion is otherwise not qualified to manage your The Port of Peri Peri Restaurant. Except as described in Item 6, you will be responsible for all compensation and expenses (including travel, meals and lodging) incurred in connection with any training program. Neither you nor your employees will receive any compensation from us for services performed during training.

Our entire training program is subject to change without notice to you due to updates in materials, methods, manuals and personnel. The subjects and time periods allocated to the subjects actually taught to a specific franchisee and its personnel may vary based on the experience of those persons being trained.

Instructional materials for the initial training program include the Franchise Manual, standard forms and other training manuals. The subjects covered and approximate hours of on-the-job training are described below:

TRAINING PROGRAM

Subject	Hours of Classroom Training	Hours of On-The-Job Training	Location
Food and Inventory Purchases	1	3	Corporate training center in Villa Park, Illinois, or another certified training center we may designate from time to time
Preparation and Service of Foods	3	33	Corporate training center in Villa Park, Illinois, or another certified training center we may designate from time to time
Operating of The Port of Peri Peri Restaurant	3	6	Corporate training center in Villa Park, Illinois, or another certified training center we may designate from time to time
Relations with Employees and Customers	1	2	Corporate training center in Villa Park, Illinois, or another certified training center we may designate from time to time
Merchandising and Management Skills	1	1	Corporate training center in Villa Park, Illinois, or another certified training center we may designate from time to time
Preparation of Records and Reports	0 - 1	2	Corporate training center in Villa Park, Illinois, or another certified training center we may designate from time to time
TOTAL	**9 – 10**	**47**	

You (or, if you are not an individual, then a shareholder, member or partner of your business entity) or the manager of your The Port of Peri Peri Restaurant and any replacement restaurant managers must attend additional training programs, sales meetings, operations meetings and conventions that we specify. You will be responsible for all expenses you and your employees incur when attending these programs and meetings.

Advertising

You must also participate in any promotional campaigns and advertising or other programs that we or our affiliates may periodically establish (see Item 6). These may include signage or other printed materials or promotional discounts. Franchisor-owned outlets are not required to participate in these promotional campaigns and adverting programs but may choose to contribute to the Ad Fund. We are not required to spend any amount on advertising in your Territory. (Franchise Agreement, Section (9)(A).

Grand Opening Advertising

You must conduct an advertising campaign announcing the grand opening of your The Port of Peri Peri Restaurant, which is currently a required expenditure of at least $6,000.00. Your grand opening advertising campaign must be conducted at the appropriate time designated by us after your The Port of Peri Peri Restaurant opens, which is typically thirty (30) days prior to the date your The Port of Peri Peri Restaurant opens for business to the public through 180 days after opening. The Grand Opening Advertising expenditure is in addition to your Brand Fund Contribution and Local Advertising Requirement (as defined below). Your grand opening expenditure will be used for social media, print, radio, digital advertising and/or other advertising or promotions that you and we agree is best suited for your grand opening campaign. (Franchise Agreement, Section 9(C)).

Marketing Resources, Pre-Approvals for Marketing Materials and Internet Marketing

It is a material default under the Franchise Agreement to use advertising or marketing materials without obtaining our prior written approval. If you desire to use your own advertising or marketing materials, you must obtain our prior approval, which may be withheld in our sole discretion. We will review your request and we will endeavor to respond in writing within 30 days from the date we receive all requested information. Our failure to notify you will be deemed a disapproval of your request. Your use of the Marks and other name identification materials must follow our approved standards. You may not use the Marks or other name identification materials on items to be sold or services to be provided without our prior written approval, which may be withheld in our sole discretion. If we approve of promotional items or services to be sold in your The Port of Peri Peri Restaurant, those items or services must be in included in your Gross Sales. (Franchise Agreement, Section 9(B)).

Local Advertising

Recognizing the importance of promoting your Restaurant within your Designated Territory and surrounding area, you must expend a minimum of one percent (1%) of the Gross Sales of your Restaurant each calendar month (based on the Gross Sales of the Restaurant during the preceding calendar month) on local advertising and marketing (the "Local Advertising Requirement"). You must use only those materials that we have previously approved or designated, and we may require that you provide us with reports and other evidence of your local advertising expenditure each month. We reserve the right to increase the Local Advertising Requirement up to two percent (2%). We are not required to expend any amount on advertising in your area or territory. (Franchise Agreement, Section 9(D)).

Brand Development Fund

We have established a System-wide Advertising and Marketing Fund (the "Fund") for the benefit of the entire System of THE PORT OF PERI PERI Restaurants. We intend to use the Fund to meet certain costs related to maintaining, administering, directing, conducting and preparing advertising, marketing, public relations, and/or promotional programs and materials, and any other activities which we believe will enhance the image of the System. Once established, you will be required to contribute up to two percent (2%) of the Gross Sales of your Restaurant towards the Fund (the "Fund Contribution"). Our Affiliate-owned Restaurants will contribute to the Fund in the same manner that each franchised Restaurant is required to contribute. The Fund may be used for advertising materials/campaigns in printed materials or on radio or television for local, regional or national circulation, internet regional or national advertising, as we deem appropriate in our discretion. We and/or a regional or national advertising agency may be used to produce all advertising and marketing. (Franchise Agreement, Section (9)(E)).

We will not be required to spend any of your Fund Contributions in the Designated Territory you are granted under your Franchise Agreement. Upon your written request, we may provide you with an unaudited financial statement accounting for the operation of the Fund. We are not required to have the Fund audited, but we may do so and use the Fund Contributions to pay for such an audit. We do not presently intend to use the Fund primarily to solicit new franchise sales. If we do not spend all Fund Contributions in a given year, any excess funds will rollover into the Fund for use during the following year. We will have the right to modify or discontinue the Fund (if established), as we deem appropriate in our sole discretion. In the past fiscal year, we did not collect any Fund Contributions because we had not yet established a Fund and, as a result, we cannot provide a breakdown of how such Fund Contributions were spent. (Franchise Agreement, Section 9(E)). Because the Fund was not established in 2019, during the fiscal year ended December 31, 2019, we did not collect or expend any Fund Contributions.

Advertising Council

Currently, we have not established an advertising council (the "Advertising Council"), but we reserve the right to do so in the future. If we establish an Advertising Council, it will serve in an advisory capacity to us with respect to certain advertising expenditures, including providing advice/guidance on how to administer the Fund (if established in the future). At our discretion, the Advertising Council may be comprised of our management representatives, employees, you and/or other franchisees in the System. We will have the right to modify or dissolve an Advertising Council (if created) at any time. (Franchise Agreement, Section 9(F)).

Regional Advertising Cooperatives ("Cooperatives")

We reserve the right to establish regional advertising cooperatives that are comprised of a geographical market area that contain two (2) or more Restaurants (whether a franchised business or Affiliate-owned) (each a "Cooperative"). If we assign your Restaurant to a Cooperative we establish, you must work with the other Restaurant owners in your Cooperative and us to develop and implement regional advertising campaigns designed to benefit all the Restaurants within the geographical boundaries of the Cooperative. We have not established any Cooperatives as of the Issue Date of this Disclosure Document, and have not contemplated how much a Restaurant might be required to contribute to such a Cooperative. If a Cooperative is established, any payment for a Regional Advertising Cooperative will be credited against your monthly Local Advertising Requirement, and the minimum amount you might be required to pay to the Cooperative will be zero and the maximum monthly contribution will be your Local Advertising Requirement for the month at issue. We will have the right to establish, modify, merge and dissolve Cooperative as we deem appropriate. Any amounts you expend on Cooperatives will be credited towards your Local Advertising Requirement. (Franchise Agreement, Section 9(H)).

Online Directories.

As another means of advertising, you must ensure that the Restaurant is listed, maintained, and updated in appropriate Internet-based telephone directories that we designate and own. You must ensure that your Restaurant has a dedicated telephone line that is not used for any other purpose. (Franchise Agreement, Section 9(D)(2)).

Website, Intranet, and Internet Use

Except as approved in advance in writing by us, you must not establish or maintain a separate website, splash page, profile or other presence on the Internet, or otherwise advertise on the Internet or any other public computer network in connection with your Restaurant, including any profile on Facebook, MySpace, LinkedIn, Instagram, Pinterest, Twitter, YouTube or any other social media and/or networking site. Any such Internet website or presence is considered "advertising" and must be approved by us prior to use, as described in this Item. If we do permit you to establish one or more of the above presences on the Internet, you must establish and operate your World Wide Web or Internet site in accordance with System standards and any other policies we designate in the Manuals or otherwise in writing from time to time, and utilize any templates that we provide to you to create and/or modify such site(s). (Franchise Agreement, Section 9(G)).

We have the right to establish and maintain a website, that may, without limitation, promote the Marks and/or the System (the "Website"), including the contact information of your Restaurant. We agree to establish an interior page on our corporate website to display the Premises and contact information associated with your Restaurant for so long as your Restaurant is open and actively operating, and the Franchise Agreement governing that Restaurant is not subject to termination. We have sole control over all aspects of the Website, including without limitation its design, content, functionality, links to other websites, legal notices, and policies and terms of usage. We also have the right to discontinue operation of the Website at any time without notice to you. We have the right to modify our policies regarding your use of social media and Internet websites in connection with your Restaurant as we deem necessary or appropriate in the best interest of the System. We (or our affiliate) are the sole registrant of the Internet domain name www.myperiperi.com, as well as any other Internet domain names that we or our affiliates register in the future. You must not register any Internet domain name that contains words used in or similar to any brand name owned by us or our affiliates or any abbreviation, acronym, phonetic variation or visual variation of those words. (Franchise Agreement, Section 9(G)).

You are also required to participate in any System-wide area computer network, intranet system, or extranet system that we implement, and may be required to use such networks or system to, among other things: (i) submit your reports due under the Franchise Agreement; (ii) view and print portions or all of the manuals; (iii) download approved local advertising materials; (iv) communicate with us and other franchisees; (v) complete certain portions of ongoing training we designate; and (vi) ordering supplies, inventory, or other materials from us or our approved suppliers. (Franchise Agreement, Section 6(J)).

Franchise Manual

The Table of Contents for the Franchise Manual is attached to this Franchise Disclosure Document as Exhibit E and contains 28 pages. You are required to follow the Franchise Manual, which we may update or modify from time to time. (Franchise Agreement, Section 8)).

ITEM 12
TERRITORY

Premises and Relocation

We will grant you the right to operate one or more The Port of Peri Peri Restaurants under the Marks at a specific location to be approved by us using our then-current standards for site criteria ("Premises"). If you open multiple The Port of Peri Peri Restaurants under a Development Agreement, we will approve sites for future/additional Restaurants using our then-current site criteria. Once a site is selected by you and approved by us, you may not relocate your The Port of Peri Peri Restaurant without our prior written approval which we will not unreasonably withhold provided the new location is located within your Designated Territory and meets our then-current criteria for a Premises, and you pay our then-current relocation fee. Our approval for relocation is based on the same standards we use to approve new The Port of Peri Peri Restaurant sites, including without limitation, location, size, suitability, layout, access and visibility of the proposed location, proximity to other businesses, location and nature of any competitors, population density and demographics, vehicle traffic, pedestrian traffic, existing tenant mix, parking convenience and any such other factors that may be relevant to your market.

Designated Territory

Once you have secured the Premises of your Restaurant, we will define the Designated Territory on the Data Sheet attached to your Franchise Agreement. Your Designated Territory will typically be a 5 mile radius around your Premises, unless your Restaurant is located in a major metropolitan downtown area or similarly situated/populated central business district (a "Central Business District"). If your Restaurant is located in such a major metropolitan downtown area or Central Business District, your Designated Territory will be limited to either an area ranging from a two (2) blocks to a 5 mile radius around your Premises, or a geographical area containing a population of up to 30,000.

The size of your Designated Territory may vary from other System franchisees based on the location and demographics surrounding your Premises. The factors that we consider in determining the size of your Designated Territory include current and projected market demand, demographics and population based on our research and experience, median household income, presence of other businesses, location of competitors, traffic patterns, access and visibility, location of other Restaurants, our future development and other market conditions.

The boundaries of your Designated Territory may be described in terms of zip codes, streets, landmarks (both natural and man-made) or county lines, or otherwise delineated on a map attached to the Data Sheet. The sources we use to determine the population within your Designated Territory will be publicly available population information (such as data published by the U.S. Census Bureau or other governmental agencies and commercial sources).

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 may own or control in the future. The franchise granted to you will permit you to sell The Port of Peri Peri products at your approved site and within a protected territory immediately surrounding your approved site (the "Designated Territory"). We will not grant a Franchise or license to any other person or entity to establish a The Port of Peri Peri Restaurant within your Designated Territory. The Designated Territory will not be determined until you have selected a permanent location that has been approved by us. If you have purchased from us the right to open multiple The Port of Peri Peri Restaurants, we will supplement your Franchise Agreement as appropriate to include the description of the Designated Territory associated with any additional The Port of Peri Peri Restaurant granted under the Franchise Agreement.

You may not use other channels of distribution, such as email, the internet, social media, catalog sales, telemarketing or other direct marketing to make sales outside of and apart from your The Port of Peri Peri Restaurant without our prior written consent, which we may withhold in our sole discretion. We do not pay compensation for soliciting or accepting orders within your Designated Territory.

We retain the rights, among others, without any compensation to you:

1. To use, and to license others to use, the Marks and the System for the operation of The Port of Peri Peri Restaurants at any location other than within your or another franchisee's Designated Territory;

2. To establish company-owned or franchisee-operated businesses that sell similar products and/or services under different trade names or trademarks other than the Marks or System within or outside of your or another franchisee's Designated Territory;

3. To sell products or services under the Marks, or any other marks, through any wholesale or retail outlets;

4. To establish other channels of distribution providing the same or similar products or services under the Marks, or any other marks;

5. To use the Marks or the System to sell any products, including products that are the same or similar to those which you will sell, within and outside of your Designated Territory, through any alternative channels of distribution, regardless of their proximity to your location or their impact on your existing or potential customers. This includes, without limitation, grocery stores, convenience stores, club or warehouse stores, transportation facilities (airports, train stations, bus stations, etc.), toll roads and plazas and major thoroughfares, educational facilities (schools, colleges, universities, etc.), institutional feeding facilities (hospitals, hotels, corporate or school cafeterias, etc.), government institutions and facilities, prisons, enclosed shopping malls, military bases, casinos, sports or entertainment venues, amusement or theme parks, direct marketing sales, and other channels of distribution such as television, direct mail, mail order, catalog sales, telemarketing, or over the internet. We exclusively reserve the internet, including computerized or remote entry ordering systems, as a channel of distribution for us, and you may not independently market on the internet or conduct e-commerce unless you have received our prior written permission (which we may withhold in our sole discretion) or unless such activities are expressly authorized by the Franchise Manual;

6. To acquire, merge with, or be acquired by any other business, including a business that competes directly with your The Port of Peri Peri Restaurant and/or the System; and

7. To implement multi-area marketing programs, including internet and regional or national accounts, which may allow us or others to solicit or sell to customers anywhere. We reserve the right to issue mandatory policies to coordinate these multi-area marketing programs.

You will not receive the right to acquire additional franchises or additional The Port of Peri Peri Restaurants, or a right of first refusal on the sale of existing franchises.

Development Agreement: Development Area

If you are granted the right to open multiple Restaurants under our form of Development Agreement, then we will provide you with a Development Area upon execution of this agreement. The size of your Development Area will substantially vary from other System developers based on the number of Restaurants we grant you the right to open and operate and the location and demographics of the general area where we mutually agree you will be opening these locations. The boundaries of your Development Area may be described in terms of zip codes, streets, landmarks (both natural and man-made) or county lines, or otherwise delineated on a map attached to the Data Sheet.

Each Restaurant you timely open and commence operating under our then-current form of franchise agreement will be operated from a distinct Premises located within the Development Area and within its own Designated Territory that we will define once the Premises for that Restaurant has been approved. Under each franchise agreement that you enter into pursuant to the development agreement, we will approve the location of each Restaurant and the then-current standards for locations and territories will apply.

We will not own or operate, or license a third party the right to own or operate, a Restaurant utilizing the Proprietary Marks and System within the Development Area until the earlier of the date we define the Designated Territory of the final Restaurant you were granted the right to operate under the Development

Agreement, or the expiration or termination of the Development Agreement for any reason. Your Development Area will be exclusive during this time period.

Upon the occurrence of any one of the events described in the preceding paragraph, your territorial rights within the Development Area will terminate, except that each Restaurant that you have opened and are continuously operating as of the date of such occurrence will continue to enjoy the territorial rights within their respective Designated Territories that were granted under the Franchise Agreement(s) you entered into for those Restaurant(s).

You must comply with your development obligations under the Development Agreement, including your Development Schedule, in order to maintain your exclusive rights within the Development Area. If you do not comply with your Development Schedule, we may terminate your Development Agreement and any further development rights you have under that agreement. Otherwise, we will not modify the size of your Development Area except by mutual written agreement signed by both parties.

ITEM 13
TRADEMARKS

We grant you the non-exclusive right and obligation to use the Marks under your Franchise Agreement. You may also use our other current or future trademarks to operate your The Port of Peri Peri Restaurant, subject to our approval. By "trademark," we mean trade names, trademarks, service marks, and logos used to identify The Port of Peri Peri Restaurants. We own and are using the trademark The Port of Peri Peri® in connection with The Port of Peri Peri Restaurants. We are the owner or filer of the following Marks, registered on the Principal Register of the United States Patent and Trademark Office (the "USPTO"):

Mark	Registration Date	Registration Number	Register
PORT OF PERI PERI (Standard Character Mark)	January 7, 2020	5,953,617	Principal
…FLAME ON!	November 28, 2017	5,346,384	Principal

No agreement significantly limits our right to use or license the Marks, including The Port of Peri Peri®, in a manner material to your The Port of Peri Peri Restaurant. We do not know of either superior prior rights or infringing uses that could materially affect your use of the Marks in any state. There is currently no pending material federal or state court litigation regarding our use or ownership rights in any of the Marks. There are no effective material determinations of the USPTO, the Trademark Trial and Appeal Board, the trademark administrator of any state, or any court, and no pending infringement, opposition or cancellation proceedings or material litigation involving the Marks. Before you sign the Franchise Agreement, you should investigate independently whether your use of the Marks in your territory might infringe on the rights of any third party, particularly in your intended area of operation.

You must follow our rules, guidelines and requirements when using the Marks. You cannot use our name or the Marks as part of a corporate name or with modifying words, designs, or symbols unless you receive our prior written consent, which we may withhold in our sole discretion. You must indicate to the public in any contract or advertisement and with a conspicuous sign in your The Port of Peri Peri Restaurant that you are an independently-owned and -operated licensed franchisee of Peri Peri Holdings LLC. You may not use the Marks in the sale of unauthorized services or products or in any manner that we do not authorize. You may not use the Marks in any advertising for the transfer, sale or other disposition of your The Port of Peri

Peri Restaurant or any interest in your The Port of Peri Peri Restaurant. All rights and goodwill from the use of the Marks accrue to us. If it becomes necessary or advisable at any time, in our sole discretion, for us and/or you to modify or discontinue using any Mark and/or use one or more additional or substitute trademarks or service marks, you must comply with our directions within a reasonable time after receiving notice. We will not reimburse you for your direct expenses of changing signage, for any loss of revenue or other indirect expenses due to any modified or discontinued Mark, or for your expenses of promoting a modified or substituted trademark or service mark.

You must notify us immediately if you learn about an infringing or challenging use of the Marks. If you are in compliance with the Franchise Agreement, we will defend you against any claim brought against you by a third party alleging that your use of the Marks in accordance with the Franchise Agreement infringes upon that party's intellectual property rights. We may require your assistance, but we will control any proceeding or litigation relating to the Marks. We have no obligation to pursue any infringing users of the Marks. If we learn of an infringing user, we will take the action appropriate, but we are not required to take any action if we do not feel it is warranted. You must notify us immediately if you learn that any party is using the Marks or a trademark that is confusingly similar to the Marks. We have the sole discretion to take such action as we deem appropriate to exclusively control any litigation or administrative proceeding involving the Marks. You must not directly or indirectly contest our right to the Marks. We may acquire, develop and use additional marks not listed here, and may make those marks available for your use and for use by other franchisees.

ITEM 14
PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

We do not own any patents or patents pending that are material to The Port of Peri Peri Restaurants, but we claim common law copyright rights in the Franchise Manual, all advertising and marketing materials, all menus and the The Port of Peri Peri website www.myperiperi.com. You may use the proprietary information in our Franchise Manual so long as you follow all of the restrictions set forth in the Franchise Agreement. We have not registered a copyright for the Franchise Manual, but we claim a copyright in it and the information is proprietary. Any printed copies of the Franchise Manual must be destroyed or returned to us immediately upon the expiration or termination of your Franchise Agreement.

We also consider certain information, knowledge and know-how concerning us and the System to be trade secrets and proprietary information, including the program of accounting, our proprietary mobile app, identification, schemes, specifications, standards, management systems, recipes, menus, techniques, financial information (such as product costs and sources of supply), the Franchise Manual and business operations and procedures that would, if used by others, give others a substantial competitive advantage presently enjoyed by us.

You may not, without our prior written consent, disclose, use or permit the use of any part of the Franchise Manual or the System except as may be required by law or as authorized in the Franchise Agreement. You must use your best efforts to prevent any employee from using the System and any of the Marks, or from operating a restaurant that is substantially similar to a The Port of Peri Peri Restaurant. There currently are no effective determinations of the United States Patent and Trademark Office, the United States Copyright Office, or a court regarding any copyrighted materials.

Except in connection with the operation of your The Port of Peri Peri Restaurant, you must not use any proprietary information or trade secret without our written permission. You must immediately tell us if you learn about unauthorized use of this proprietary information. We are not obligated to take any action, but we will respond to this information as we deem appropriate. We will control any litigation related to the use of the proprietary information. We will indemnify you against losses claimed by a third party concerning your authorized use of this information. Our right to use or license these copyrighted and proprietary materials is not materially limited by any agreement or known infringing use. There are no determinations of any administrative office or any court regarding these copyrighted and proprietary materials.

The Franchise Agreement also requires you to follow all of our security procedures, disclose our proprietary information to your employees only as needed to market our products and services, not use any proprietary information in any other business and exercise the highest degree of diligence to maintain our proprietary information as confidential.

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

We require that you (or another individual designated by you and approved by us) participate personally in your The Port of Peri Peri Restaurant) and be the primary operator of your The Port of Peri Peri Restaurant at all times and that you devote substantial full time and best efforts on a daily basis, in person, to the supervision and conduct of your The Port of Peri Peri Restaurant.

If you have purchased the right to open multiple The Port of Peri Peri Restaurants, you will be permitted to have multiple managers for each of your The Port of Peri Peri Restaurants (that are approved by us). We recommend that a "Designated Manager" devote substantial full-time and best efforts on a daily basis, in person, to the supervision and conduct of each The Port of Peri Peri Restaurant. Your designated manager must successfully complete our training program. Your designated manager need not have an ownership interest in the franchisee entity. If you replace a manager, the new manager must satisfactorily complete our training program.

Any manager and, if you are an entity, an officer that does not own equity in the franchisee entity, must sign the Nondisclosure, Non-Solicitation and Noncompetition Agreement, the form of which is attached to the Franchise Agreement as Exhibit E ("Confidentiality Agreement"). All of your key employees and managers who may have access to our confidential information must also sign a Confidentiality Agreement. If you are an entity, each owner (i.e., each person holding an ownership interest in you) and his or her spouse must sign a "Guaranty and Assumption of Franchisee's Obligations," the form of which is attached to the Franchise Agreement as Exhibit B.

ITEM 16
RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

You must follow our policies, procedures, methods and techniques. You must sell or offer for sale all types of products and services specified by us. We may change or add to our required products and services at our discretion with prior notice to you. If we change or add to our required products or services, the changes or additions will remain in permanent effect, unless we specify otherwise. The amount you must pay for the changes or additions will depend upon the nature and type of changes or additions. Your The Port of Peri Peri Restaurant may not offer any products or services that we have not authorized for The Port of Peri Peri Restaurants without our prior written approval, which we may withhold in our sole discretion. You must discontinue selling and offering for sale any services or products that we disapprove. We reserve the right to establish minimum and maximum resale prices for use with multi-area marketing programs and special price promotions.

You may not use your The Port of Peri Peri Restaurant premises for any purpose other than the operation of a The Port of Peri Peri Restaurant, in compliance with the Franchise Agreement. Newspaper racks, juke boxes, gum machines, games, rides or any other vending machines must not be installed on your The Port of Peri Peri Restaurant premises without our prior written approval, which we may withhold in our sole discretion. You must at all times maintain sufficient food, supplies and personnel to operate your The Port of Peri Peri Restaurant at its maximum capacity and efficiency.

You may not sell products through other channels of distribution such as wholesale, internet or mail order sales. Otherwise, except as provided in Item 12, we place no restrictions upon your ability to serve customers and we do not impose any restrictions limiting your access to customers.

ITEM 17
RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION

THE FRANCHISE RELATIONSHIP

A. Franchise Agreement

This table lists certain important provisions of the Franchise Agreement and related agreements. You should read these provisions in the agreements attached to this Franchise Disclosure Document.

Provision	Section in Franchise Agreement	Summary
a. Length of the Franchise term	3(A)	10 years.
b. Renewal or extension of the term	3(B)	If you are in good standing and you meet defined requirements, including a renewal fee, you may add one additional renewal term of 10 years.
c. Requirements for franchisee to renew or extend	3(B)	You may renew for one additional term of 10 years if you have complied with the Franchise Agreement during the initial term; provide notice within the time limits set forth in the Franchise Agreement; execute a new Franchise Agreement in the form then in use by us (which may contain terms and conditions materially different from your original Franchise Agreement); execute a general release in a form satisfactory to us; pay us a renewal fee of Ten Thousand Dollars ($10,000); remodel, refurbish and modernize your The Port of Peri Peri Restaurant to meet the then-current standards, specifications and designs of The Port of Peri Peri Restaurants; and comply with other conditions.
d. Termination by franchisee	N/A	Not Applicable (subject to state law).

Provision	Section in Franchise Agreement	Summary
e. Termination by franchisor without "cause"	15	We must have cause to terminate the Franchise Agreement.
f. Termination by franchisor with "cause"	15	We may terminate only if you default as stated in the Franchise Agreement.
g. "Cause" defined – curable defaults	15	You must cure all monetary defaults under your Franchise Agreement within 10 days of being provided with notice by us, as well as the following defaults: if you or any of your principals default on any other agreement with us (including the Development Agreement) and such default is not cured within the prescribed time period set forth in that agreement; failure to purchase any Required Item; failure to purchase from our Approved Suppliers; any purchase of a non-approved item or offering of a product/service at the Franchised Business that we have not authorized; failure to pay us, our Affiliates, or our Approved Suppliers any amount due, and failure to obtain any necessary permit/certificate/approval to operate the Restaurant. If you receive notice that you have failed to provide us with access to your POS system, you must cure such a default within 3 days. Except as provided above and those defaults listed in (h) of this Item 17 Chart, you must cure all other defaults and violations of any provision of your Franchise Agreement or any other agreement with us or our affiliates within 30 days of being provided with notice of your default(s).
h. "Cause" defined - non-curable defaults	15(A)	Your Franchise Agreement may be terminated automatically and without notice from us if: you become insolvent or make a general assignment for the benefit of creditors; a bankruptcy petition if filed by or against you and not dismissed within 30 days; a bill in equity or appointment of receivership is filed in connection with you or the Franchised Business; a receiver or custodian of

Provision	Section in Franchise Agreement	Summary
	15(B)	your assets of property is appointed; a final judgment in the amount of $10,000 or more is entered against you and not satisfied within 60 days (or longer period if we consent); you attempt to make an invalid transfer in violation of Section 13 of your Franchise Agreement. Your Franchise Agreement may be terminated by us upon written notice and no opportunity to cure if: you commit and fraud or misrepresentation in connection with your Restaurant; you or other required attendees fail to timely complete our Initial Training Program; you receive three (3) or more notices to cure the same or similar defaults under your Franchise Agreement in any 12-month period (whether or not subsequently cured); you violate any in-term restrictive covenants; you misuse the Marks, proprietary information or other confidential information provided to you; misuse an proprietary software that might be developed; you fail to cure any default under any other agreement you have with us, our affiliates or any Approved Supplier within the appropriate cure period (including the Development Agreement; you default under your lease for the Premises and fail to timely cure; you fail to open and commence operations within the required time period; you abandon your Restaurant; you are convicted of a felony or any other crime of moral turpitude or offense that will adversely affect the System; you take any property of the Franchised Business for personal use; there are insufficient funds in your EFT Account on three (3) or more occasions in any 12-month period; or if you commit repeated violations of any applicable law.
i. Franchisee's obligations on termination/non-renewal	16	Upon termination or early expiration of the Franchise Agreement, your obligations include: immediately discontinuing the use of the Marks and trade dress; cease doing business in a form or manner that may give the general public the impression that you are operating a The Port of Peri Peri business; return of the Manuals of any

Provision	Section in Franchise Agreement	Summary
		other proprietary information to us; provide us with all customer information, lists and applicable contracts; cancel or, at our option, assign us all telephone/facsimile numbers and domain names (if permitted) used in connection with the Restaurant (as well as all related listings) to us or our designee; comply with all post-term restrictive covenants; at our written option, assign the lease for the Premises to us; pay us all outstanding amounts; comply with our option to purchase the business, if we so choose; and provide us with written confirmation of compliance with these obligations within 30 days.
j. Assignment of contract by franchisor	13(G)	No restrictions on our right to assign.
k. "Transfer" by franchisee – defined	13(A)	You may not transfer the rights contained in your Franchise Agreement without our express written permission, which may be granted or denied at our discretion.
l. Franchisor approval of transfer by franchisee	13(A)	We have the right to approve all transfers of your Franchise Agreement and your The Port of Peri Peri Restaurant in accordance with the terms and conditions set forth in the Franchise Agreement but will not unreasonably withhold approval.
m. Conditions for franchisor approval of transfer	13(E)	Potential transfers will be approved if the new franchisee meets our qualifications for new franchisees, the applicable transfer fee is paid, the transfer agreement is approved, training is completed, you sign a general release, the transferee signs the then-current Franchise Agreement, Franchise agreement and the transferee's principals execute a guaranty, as applicable. (See also r. below.)
n. Franchisor's right of first refusal to acquire franchisee's business	13(D)	We can match any offer for all or any part of your The Port of Peri Peri Restaurant.

Provision	Section in Franchise Agreement	Summary
o. Franchisor's option to purchase franchisee's business	16(H)	Upon expiration or termination of the Franchise Agreement, we have the right to purchase improvements, supplies, products, inventory, furniture, fixtures, equipment, signs and accessories.
p. Death or mental incapacity of franchisee	13(B)	Representative must be appointed or Franchise must be assigned to approved buyer within 120 days after event.
q. Non-competition and Non-Solicitation covenants during the term of the franchise	14(A)	Neither you, your principals, guarantors, owners or Designated Managers, nor any immediate family member of you, your principals, guarantors, owners or Designated Managers, may: (i) own, operate, or otherwise be involved with, Competing Business (as defined in the Franchise Agreement); or (ii) divert, or attempt to divert, any prospective customer to a Competing Business (subject to state law).
r. Non-competition covenants after the franchise is terminated or expires	14(B)	For a period of two (2) years after the termination/expiration/transfer of your Franchise Agreement, neither you, your principals, guarantors, owners, Designated Managers, nor any immediate family member of you, your principals, guarantors, owners, Designated Managers, may own, operate or otherwise be involved with any business that is involved in the licensing or franchising of Competing Businesses at any location within the United States where we can demonstrate we have offered this franchise offering (subject to state law). For a period of two (2) years after the termination/expiration/transfer of your Franchise Agreement, neither you, your principals, guarantors, owners, Designated Managers, nor any immediate family member of you, your principals, guarantors, owners, Designated Managers, may own, operate or otherwise be involved with and Competing Business within a five (5) mile radius of: (i) the perimeter of your Designated Territory; or (ii) any other Restaurant

Provision	Section in Franchise Agreement	Summary
		location that exists or is under development as of the date your Franchise Agreement is terminated, expires or is transferred (subject to state law). During this two (2) year period, these parties are also prohibited from: (i) soliciting business from customers of your former Franchised Business; or (ii) contacting any of our suppliers/vendors for a competitive business purpose (subject to state law).
s. Modification of agreement	18(D)	No modifications generally without mutual consent, but the Franchise Manual is subject to change.
t. Integration/merger clause	22 and 23(A)	Only the terms of the Franchise Agreement and other related written agreements are binding (subject to state law). However, nothing in the Franchise Agreement or any related agreement is intended to disclaim our representations made in this Franchise Disclosure Document.
u. Dispute resolution by arbitration	21(B) 21(C)	You must first submit all dispute and controversies arising under the Franchise Agreement to our management and make every effort to resolve the dispute internally. At our option, all claims or disputes arising out of the Franchise Agreement must be submitted to non-binding mediation, which will take place in Villa Park, Illinois. You must notify us of any potential disputes and we will provide you with notice as to whether we wish to mediate the matter or not. If the matter is mediated, the parties will split the mediator's fees and bear all of their other respective costs of the mediation (subject to state law).
v. Choice of forum	21(D) and 21(E)	State court of general jurisdiction closest to Villa Park, Illinois or, if appropriate, the United States District Court for the Northern District of Illinois (Eastern Division) (subject to state law).

Provision	Section in Franchise Agreement	Summary
w. Choice of law	21(A)	The Franchise Agreement is governed by the laws of the state of Illinois, without reference to this state's conflict of laws principles (subject to state law).

B. Development Agreement

This table lists certain important provisions of the Development Agreement and related agreements. You should read these provisions in the agreements attached to this Franchise Disclosure Document.

Provision	Section in Development Agreement	Summary
a. Length of the Franchise term	6.1	The Development Agreement will commence on the date it is fully executed and end on the earlier of (a) the last day of the calendar month that the final Franchised Business is required to be opened and operating under the Development Schedule, or (b) the day that the final Franchised Business is open.
b. Renewal or extension of the term	Not Applicable	Not Applicable.

Provision	Section in Development Agreement	Summary
c. Requirements for franchisee to renew or extend	Not Applicable	Not Applicable.
d. Termination by franchisee	Not Applicable	Not Applicable (subject to state law).
e. Termination by franchisor without "cause"	Not Applicable	Not Applicable.
f. Termination by franchisor with "cause"	6.2	We may terminate your Development Agreement with cause if you (i) cease to actively engage in development activities in the Development Area or otherwise abandon development for three (3) consecutive months; (ii) become insolvent or is adjudicated bankrupt; (iii) fail to meet your development obligations; or (iv) if any franchise agreement that is entered into in order to fulfill your development obligations is terminated or subject to termination, pursuant to the terms of that franchise agreement.
g. "Cause" defined – curable defaults	Not Applicable	Not Applicable.
h. "Cause" defined - non-curable defaults	6.2	Your Development Agreement can be terminated by us if: (i) you cease to actively engage in development activities in the Development Area or otherwise abandon your development business

Provision	Section in Development Agreement	Summary
		for three (3) consecutive months, or any shorter period that indicates an intent by you to discontinue development of the Franchised Businesses within the Development Area; (ii) you become insolvent or are adjudicated bankrupt, or if any action is taken by Franchisee, or by others against you, under any insolvency, bankruptcy or reorganization act, or if you make an assignment for the benefit or creditors or a receiver is appointed by you; (iii) you fail to meet your development obligations under the Development Schedule for any single Development Period, and fail to cure such default within 30 days of receiving notice thereof; and (iv) any Franchise Agreement that is entered into in order to fulfill your development obligations under the Development Agreement is terminated or subject to termination by us, pursuant to the terms of that Franchise Agreement.
i. Franchisee's obligations on termination/non-renewal	Not Applicable	Not Applicable.
j. Assignment of contract by franchisor	8	We have the right to assign our rights under the Development Agreement
k. "Transfer" by franchisee – defined	8	Any transfer in you (if you are an entity) or your rights/obligations under the Development Agreement.
l. Franchisor approval of transfer by franchisee	8	You may not transfer any rights or obligations under the Development Agreement without our prior written consent.
m. Conditions for franchisor approval of transfer	Not Applicable	Not Applicable.
n. Franchisor's right of first refusal to acquire franchisee's business	Not Applicable	Not Applicable.

Provision	Section in Development Agreement	Summary
o. Franchisor's option to purchase franchisee's business	Not Applicable	Not Applicable.
p. Death or mental incapacity of franchisee	Not Applicable	Not Applicable.
q. Non-competition and Non-Solicitation covenants during the term of the franchise	Not Applicable	Nothing additional. Please see non-competition covenants set forth in your Franchise Agreement(s) entered into under the Development Agreement (subject to state law).
r. Non-competition covenants after the franchise is terminated or expires	Not Applicable	Nothing additional. Please see non-competition covenants set forth in your Franchise Agreement(s) entered into under the Development Agreement (subject to state law).
s. Modification of agreement	28	Any modification of the Development Agreement must be in writing and signed by both parties.
t. Integration/merger clause	28	Only the terms of the Development Agreement are binding (subject to state law). Any representations or promises made outside of the disclosure document and the Development Agreement may not be enforceable. Notwithstanding the foregoing, nothing in any agreement is intended to disclaim the express representations made in the Franchise Disclosure Document, its exhibits and amendments.
u. Dispute resolution by arbitration	13 and 14	You must first notify us of any disputes arising under or related to your Development Agreement and attempt to resolve the dispute through internal dispute resolution with our management. At our option, any disputes or claims that are not resolved by internal dispute resolution must, at our option, be subject to non-binding mediation that will take place in Villa Park, Illinois. We will notify you if we decide to mediate any claim or dispute under the Franchise Agreement and/or Development Agreement, but we are not required

Provision	Section in Development Agreement	Summary
		to mediate any claim or dispute we have with you if we do not wish to do so (subject to state law).
v. Choice of forum	16	State court of general jurisdiction closest to Villa Park, Illinois or, if appropriate, the United States District Court for the Northern District of Illinois (Eastern Division) (subject to state law).
w. Choice of law	12	Illinois law (subject to state law).

ITEM 18
PUBLIC FIGURES

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

ITEM 19
FINANCIAL PERFORMANCE REPRESENTATIONS

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

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 Syed Pasha, Peri Peri Holdings LLC, 100 East Roosevelt Road, Villa Park, Illinois 60181; (224) 788-7374.

ITEM 20
OUTLETS AND FRANCHISEE INFORMATION

Table No. 1
System-wide Outlet Summary
For Years 2018 – 2020

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised	2018	2	7	+5
	2019	7	16	+9
	2020	16	15	-1
Company Owned	2018	1	1	0
	2019	1	2	+1
	2020	2	4	+2
Total Outlets	2018	3	8	+5
	2019	8	18	+10
	2020	18	19	+1

Table No. 2
Transfers of Outlets from Franchisees to New Owners (Other than the Franchisor)
For Years 2018 – 2020

State	Year	Number of Transfers
IL	2018	1
	2019	0
	2020	0
Total	**2018**	**1**
	2019	**0**
	2020	**0**

Table No. 3
Status of Franchised Outlets
For Years 2018 – 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 the Year
California	2018	0	0	0	0	0	0	0
	2019	0	1	0	0	0	0	1
	2020	1	1	0	0	0	0	2
Indiana	2018	0	0	0	0	0	0	0
	2019	0	3	0	0	0	0	3
	2020	3	0	0	0	2	0	1
Illinois	2018	2	4	0	0	0	0	6
	2019	6	2	0	0	0	0	8
	2020	8	0	0	0	0	1	7
New Jersey	2018	0	1	0	0	0	1	0
	2019	0	0	0	0	0	0	0
	2020	0	0	0	0	0	0	0
Texas	2018	0	1	0	0	0	0	1
	2019	1	3	0	0	0	0	4
	2020	4	1	0	0	0	0	5
Total	**2018**	**2**	**6**	**0**	**0**	**0**	**1**	**7**
	2019	**7**	**9**	**0**	**0**	**0**	**0**	**16**
	2020	**16**	**2**	**0**	**0**	**2**	**1**	**15**

Table No. 4
Status of Company-Owned Outlets
For Years 2018 – 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
California	2018	0	0	0	0	0	0
	2019	0	1	0	0	0	1
	2020	1	0	0	0	0	1
Illinois	2018	1	0	0	0	0	1
	2019	1	0	0	0	0	1
	2020	1	0	0	0	0	1
	2018	0	0	0	0	0	0

State	Year	Outlets at Start of Year	Outlets Opened	Outlets Reacquired From Franchisee	Outlets Closed	Outlets Sold to Franchisee	Outlets at End of Year
Indiana	2019	0	0	0	0	0	0
	2020	0	0	2	0	0	2
Total Outlets	**2018**	**1**	**0**	**0**	**0**	**0**	**1**
	2019	**1**	**1**	**0**	**0**	**0**	**2**
	2020	**2**	**0**	**2**	**0**	**0**	**4**

Table No. 5
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
MI	1	1	0
MA	0	1	0
MO	0	0	1
NJ	0	1	0
TX	1	1	0
OK	0	1	0
Total	**2**	**5**	**1**

A list of the names of all franchisees and the addresses and telephone numbers of their franchises is attached to this Franchise Disclosure Document as **Exhibit F.** Also included in Exhibit F is a list of all franchisees that have had an outlet terminated, canceled, not renewed, or otherwise voluntarily or involuntarily ceased to do business under the franchise agreement during our last fiscal year ending December 31, 2020, or who has not communicated with us within 10 weeks of the date of this Franchise Disclosure Document. If you buy this Franchise, your contact information may be disclosed to other potential buyers when you leave the System. You may also be required to sign a confidentiality agreement or provision with us that would restrict your ability to speak openly about your experience with the System.

As of the Issuance Date of this Franchise Disclosure Document, there is no (i) trademark-specific franchisee organization associated with the System being offered that we have created, sponsored or endorsed or (ii) independent franchisee organizations that have asked to be included in this Franchise Disclosure Document.

In some instances, current and former franchisees sign provisions restricting their ability to speak only about their experience with the System. You may wish to speak with current and former franchisees but be aware that not all such franchisees will be able to communicate with you.

ITEM 21
FINANCIAL STATEMENTS

Attached to this Franchise Disclosure Document as **Exhibit D** are our (i) audited financial statements as of December 31, 2020 and December 31, 2019, and (ii) unaudited balance sheet and profit and loss statement as of September 30, 2021. We were formed in 2019 and cannot independently provide all of the financial statements required.

ITEM 22
CONTRACTS

The following agreements regarding the offering of a Franchise are attached as exhibits to this Franchise Disclosure Document.

1. Franchise Agreement (**Exhibit B**)
    a. Form of Personal Guaranty (**Exhibit B**)
    b. Form of Landlord Consent and Agreement (**Exhibit C**)
    c. EFT Withdrawal Authorization Form (**Exhibit D**)
    d. Form of Confidentiality and Non-Competition Agreement (**Exhibit E**)
    e. Conditional Assignment of Telephone Numbers (**Exhibit F**)
    f. Compliance Questionnaire (**Exhibit G**)
2. Development Agreement (**Exhibit C**)
3. State Addenda (**Exhibit G**)
4. Receipts (**Exhibit I**)

ITEM 23
RECEIPTS

The last pages of this Franchise Disclosure Document, **Exhibit J**, are a detachable document, in duplicate. Please detach, sign, date and return one copy of the Receipt to us, acknowledging you received this Franchise Disclosure Document. Please keep the second copy for your records.

EXHIBIT A
LIST OF STATE AGENCIES/ AGENTS FOR SERVICE OF PROCESS

CALIFORNIA
Department of Financial Protection and Innovation
320 West 4^{th} Street, #750
Los Angeles, CA 90013
(213) 576-7500
1-866-275-2677

HAWAII
Commissioner of Securities of the State of Hawaii
335 Merchant Street, Room 203
Honolulu, Hawaii 96813
(808) 586-2722

Agents for Service of Process:
Commissioner of Securities of the State of Hawaii
Department of Commerce and Consumer Affairs
Business Registration Division
335 Merchant Street, Room 203
Honolulu, Hawaii 96813
(808) 586-2722

ILLINOIS
Illinois Attorney General
Chief, Franchise Division
500 South Second Street
Springfield, IL 62706
(217) 782-4465

INDIANA
Secretary of State
Securities Division
Room E-018
302 West Washington Street
Indianapolis, IN 46204
(317) 232-6681

MARYLAND
Office of the Attorney General
Division of Securities
200 St. Paul Place
Baltimore, Maryland 21202-2020
(410) 576-6360
Agent for Service of Process:
Maryland Securities Commissioner
200 St. Paul Place
Baltimore, Maryland 21202-2020

MICHIGAN
Franchise Administrator
Consumer Protection Division
670 Law Building
Lansing, MI 48913
(517) 373-7117

MINNESOTA
Department of Commerce
Commissioner of Commerce
85 Seventh Place East, #280
St. Paul, MN 55101-3165
(651) 539-1600

NEW YORK
Administrator:
NYS Department of Law
Investor Protection Bureau
28 Liberty Street, 21^{st} Floor
New York, New York 10005
(215) 416-8222

Agent for Service:
New York Department of State
One Commerce Plaza,
99 Washington Avenue, 6^{th} Floor
Albany, NY 12231-0001
(518)-473-2492

NORTH DAKOTA
North Dakota Securities Department
State Capitol, Fifth Floor, Dept. 414
600 East Boulevard Avenue
Bismarck, North Dakota 58505-0510
(701) 328-4712

RHODE ISLAND
Department of Franchise Regulation
1511 Pontiac Avenue
John O. Pastore Complex
Bldg. 69-1
Cranston, Rhode Island 02920
(401) 462-9527

SOUTH DAKOTA
Department of Labor and Regulation, Division of Securities
124 South Euclid, Suite 104
Pierre, South Dakota 57501
(605) 773-4823

VIRGINIA
State Corporation Commission, Division of Securities and Retail Franchising
1300 East Main Street, 9^{th} Floor
Richmond, Virginia 23219
Agent for Service of Process:
Clerk of the State Corporation Commission
1300 East Main Street
1^{st} Floor
Richmond, Virginia 23219

WASHINGTON
Department of Financial Institutions
Securities Division
PO Box 9033
Olympia, WA 98507
(360) 902-8760

Agent for Service of Process:
Department of Financial Institutions
Securities Division
150 Israel Road SW
Tumwater, WA 98501
(360) 902-8760

WISCONSIN
Department of Financial Institutions
Division of Securities
345 West Washington Avenue
4^{th} Floor
Madison, WI 53703
(608) 266-3364

EXHIBIT B
FRANCHISE AGREEMENT

PERI PERI HOLDINGS LLC

FRANCHISE AGREEMENT

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PERI PERI HOLDINGS LLC
FRANCHISE AGREEMENT

THIS FRANCHISE AGREEMENT (the "Agreement") is made and entered into on this ___day of _________, 20___ ("Effective Date,") by and between: (i) Peri Peri Holdings LLC, a Delaware limited liability company with its principal place of business at 100 East Roosevelt Road, Villa Park, Illinois 60181 (the "Franchisor"); and (ii) ____________________________________, a (resident of) (corporation organized in) (limited liability company organized in) ________________________ with a business address at ________________________________ (the "Franchisee").

RECITATIONS

A. Franchisor and its affiliate/principals, as a result of the expenditure of time, skill, effort, and money, have developed a unique system (the "System") for operating a restaurant which serve made-to-order, all-natural, fresh ingredients. Peri Peri offers Sandwiches, Pitas, Wraps, Salads using their signature Peri Peri chicken and other proteins, along with many side dishes in a fast-casual restaurant environment, under certain trademarks, trade names, service marks and logos (each, a "Restaurant").

B. Franchisor's System is comprised of various proprietary and, in some cases, distinguishing elements, including without limitation: proprietary methodology and procedures for the establishment and operation of a Restaurant; site selection guidance and criteria; specifications for the design, layout and construction of the interior of the Restaurant; standards and specifications for the furniture, fixtures and equipment located within a Restaurant; established relationships with approved or designated suppliers for certain products and services; and standards and specifications for advertising, bookkeeping, sales and other aspects of operating a Restaurant. The parties agree and acknowledge that Franchisor may change, improve, further develop, or otherwise modify the System from time to time as it deems appropriate in its discretion. Franchisee hereby acknowledges and agrees that: (i) while the System and Franchisor's related materials contain information that, in isolated form, could be construed as being in the public domain, they also contain significant proprietary and confidential information which makes the System unique as a whole; and (ii) the combined methods, information, procedures, and theories that make up the total System or are contained in the relevant manuals that are proprietary and confidential.

C. The System and Restaurants are identified by the Franchisor's then-current proprietary marks, including the current mark PORT OF PERI PERI and certain other trade names, trademarks, service marks and trade dress that Franchisor designates for use in connection with each Restaurant (collectively, the "Proprietary Marks"), all of which Franchisor may modify, update, supplement or substitute in the future as Franchisor deems appropriate. The parties agree and acknowledge that Franchisor has established substantial goodwill and business value in its Proprietary Marks, expertise, and System.

D. Franchisor is in the business of granting qualified parties a franchise for the right to independently own and operate a single Restaurant utilizing the Proprietary Marks and System at a location that Franchisor approves in writing.

E. Franchisee recognizes the benefits derived from being identified with Franchisor, appreciates and acknowledges the distinctive and valuable significance to the public of the System and the Proprietary Marks, and understands and acknowledges the importance of Franchisor's high and uniform standards of quality, appearance, and service to the value of the System.

F. Franchisee desires to acquire a non-exclusive franchise for the right to operate a single Restaurant from an approved location, and has submitted an application to obtain such a franchise from Franchisor.

G. Franchisor is willing to grant Franchisee the right to operate a Restaurant based on the representations contained in the franchise application and subject to the terms and conditions set forth in this Agreement.

AGREEMENT

NOW THEREFORE, in consideration of the foregoing recitals and other good and valuable consideration, the receipt and sufficiency of which is hereby mutually acknowledged, the parties hereto, intending to be legally bound, do hereby agree as follows:

1. PREAMBLES, ACKNOWLEDGEMENTS AND REPRESENTATIONS OF FRANCHISEE

A. Franchisee acknowledges and represents that Franchisor, itself or through any officer, director, employee, or agent, has not made, and Franchisee has not received or relied upon, any oral, written, visual, express, or implied information, representations, warranties, guarantees, or promises regarding the amount of sales levels or income Franchisee might expect to earn from the franchise granted hereby, except as set forth in the Franchise Disclosure Document.

B. The business venture contemplated by this Agreement involves business risks.

C. Franchisee's success will be largely dependent upon Franchisee's ability as an independent businessperson.

D. Franchisee has received, read, and does understand this Agreement and any attachments.

E. Franchisee understands and agrees that the restaurant industry is highly competitive with constantly changing market conditions.

F. Franchisee acknowledges and agrees that Franchisor has fully and adequately explained each provision of this Agreement to Franchisee's satisfaction.

G. Franchisee has consulted with Franchisee's own advisors with respect to the legal, financial, and other aspects of this Agreement, the business franchised hereby, and the prospects for such business. Franchisee either has consulted with such advisors or has deliberately declined to do so.

H. Any written inquiries made to Franchisor by Franchisee pertaining to the nature of this franchise were answered in writing to the satisfaction of Franchisee.

I. Franchisee has had the opportunity and adequate time to independently investigate, analyze, and construe both the franchise being offered hereunder and the terms and provisions of this Agreement utilizing the services of legal counsel, accountants, and other advisors (if Franchisee so elects).

J. Any and all applications, financial statements, and representations submitted to Franchisor by Franchisee, whether oral or in writing, were complete and accurate when submitted and are complete and accurate as of the date of execution of this Agreement unless the same has been otherwise amended in writing. Franchisee states that he/she is not (a) presently involved in any business activity that could be considered competitive in nature, unless heretofore disclosed to Franchisor in writing, or (b) violating any existing contractual obligations by entering into this agreement.

K. Franchisee agrees not to contest, directly or indirectly, Franchisor's ownership, title, right, or interest in its names or Proprietary Marks, trade secrets, methods, procedures, know-how, or advertising techniques which are part of Franchisor's business, or contest Franchisor's sole right to register, use, or license others to use such names or Proprietary Marks, trade secrets, methods, procedures, or techniques.

L. Franchisee's signature to this Agreement has not been induced by any representation inconsistent with the terms of this Agreement or inconsistent with the Franchise Disclosure Document given to Franchisee by Franchisor.

M. Franchisee represents and warrants that Franchisee is not a party to or subject to any order or decree of any court or government agency which would limit or interfere in any way with the performance by Franchisee of the obligations under this Agreement and that Franchisee is not a party, and has not within the last ten (10) years been a party, to any litigation, bankruptcy, or legal proceedings other than those heretofore disclosed to Franchisor in writing.

N. Franchisee agrees and acknowledges that it is solely responsible for ensuring that: (i) it acquires and maintains all business licenses, permits and approvals, including, but not limited to and those that are specifically required to offer and provide restaurant services, that are necessary to operate the Franchised Business at the Premises (defined below) and within the Designated Territory (defined below); and (ii) the Franchised Business is otherwise operated in full compliance with all federal, state and local laws and regulations where the Franchisee is located.

O. Franchisee agrees and acknowledges that: (i) Franchisor may enter into franchise agreements with other franchisees that may contain provisions, conditions, and obligations that differ from those contained in this Agreement, including without limitation, franchise agreements for the operation of a Restaurant; and (ii) the existence of different forms of agreement and the fact that Franchisor and other franchisees may have different rights and obligations does not affect the parties' duty to comply with the terms of this Agreement.

2. GRANT OF FRANCHISE

A. **Grant of Franchise**. Franchisor hereby grants Franchisee, subject to the terms, conditions, and obligations of this Agreement, a non-exclusive right and license to use the Proprietary Marks and receive the other benefits of the System in connection with the establishment and operation of a single Restaurant (the "Franchised Business").

B. **Approved Premises; Site Selection Area**. The Franchised Business must be operated from a single location that Franchisor reviews and approves (the "Premises"). If the parties have not agreed on a Premises as of the date this Agreement is executed, Franchisor will designate a general marketing area (the "Site Selection Area") on the data sheet attached to this Agreement as Exhibit A (the "Data Sheet") wherein Franchisee must locate and secure the Premises as detailed more fully in Section 6(A) of this Agreement. Franchisee acknowledges and agrees that: (i) it does not have any territorial rights within the Site Selection Area; (ii) Franchisor may permit other new franchisees to search for the location of their franchised Restaurant within the same Site Selection Area that is assigned to

Franchisee under this Agreement if Franchisor determines in its discretion that the Site Selection Area is large enough to contain additional franchises; and (iii) potential locations for each franchised Restaurant, and resulting Designated Territories (as defined below), within the Site Selection Area will be reviewed and rejected/granted on a first-to-propose basis.

C. **Relocation of Premises**. Once the Franchisor approves the Premises of the Franchised Business, the location will be set forth in the Data Sheet. Franchisee may only use the Premises to operate the Franchised Business. Franchisee may not relocate the Franchised Business to any location other than the Premises without Franchisor's prior written consent, which Franchisor will not unreasonably withhold, provided: (i) Franchisee secures an alternate location for the Franchised Business within the Designated Territory (as defined below) that meets Franchisor's then-current site selection criteria for the premises of a Restaurant; and (ii) Franchisee pay franchisor its then-current relocation fee, which is currently Five Thousand Dollars ($5,000) (the "Relocation Fee"). If Franchisee's landlord terminates Franchisee's right to possess the Premises before the term of the Franchise Agreement expires, then Franchisee must find and receive Franchisor's approval of a suitable replacement location within 60 days.

D. **Designated Territory**. Upon locating and securing a Premises, Franchisor will designate a geographical area surrounding the Premises wherein Franchisor will not open or operate, or license a third party the right to open or operate, another Restaurant utilizing the System and Proprietary Marks (the "Designated Territory"), for so long as Franchisee is in compliance with this Agreement. The boundaries of the Designated Territory, once determined by Franchisor, will be described in the Data Sheet. Franchisee acknowledges that it does not have any other territorial rights within the Designated Territory.

E. **Rights Not Granted**. Franchisee acknowledges and agrees that this Agreement does not afford Franchisee any rights or options to open any additional Restaurants and that Franchisee does not have any right to sub-license or sub-franchise any of the rights granted hereunder. Franchisee may not use the Proprietary Marks or System for any purpose other than promoting and operating the Franchised Business at the Premises. Franchisor will have sole discretion as to whether it decides to grant Franchisee the right to open any additional Restaurants, each of which will be governed by a separate form of Franchisor's then-current franchise agreement.

F. **Reservation of Rights**. Notwithstanding anything contained in this Agreement, Franchisor and its affiliates hereby reserve the exclusive right to: (i) open and operate, and license third parties the right to open or operate, other Restaurants utilizing the Proprietary Marks and System outside the Designated Territory; (ii) market, offer and sell the Approved Products offered by the Franchised Business and other Restaurants through alternate channels of distribution, including without limitation, via the Internet and other e-commerce channels, grocery stores, direct mail or wholesale, at any location; (iii) acquire, or be acquired by, any company, including a company operating one or more businesses offering products or services offered by a Restaurant, located within or outside your Designated Territory, and subsequently operate (or license a third party the right to operate) these locations; (iv) open and operate, or license third parties the right to open or operate, businesses that offer products and services similar to the Franchised Business under marks other than the Proprietary Marks at any location; (v) open and operate, or license third parties the right to open or operate Restaurants in non-traditional sites, including, but not limited to, sports and entertainment stadiums, arenas, entertainment complexes, malls, other shopping outlets, food courts, and train stations and airports, both within and outside of Franchisee's Designated Territory, with determination of what constitutes a non-traditional site subject to Franchisor's sole discretion; (vi) use, and license others the right to use, the Proprietary Marks and System to engage in any other activity not expressly prohibited by this Agreement; and (vii) if Franchisee is in default of this Agreement, open and operate a corporate Restaurant in Franchisee's Designated Territory.

G. **Modification of System**. Franchisor reserves the right to supplement, revise or otherwise modify the System or any aspect/component thereof, and Franchisee agrees to promptly accept and comply with any such addition, subtraction, revision, modification or change and make such reasonable expenditures as may be necessary to comply with any change that Franchisor makes to the System. Any change or modification that Franchisor makes to the System will not materially alter Franchisee's fundamental rights under this Agreement. Moreover, Franchisor will provide Franchisee with a reasonable amount of time to comply with any change or modification to the System once Franchisee has been notified of such change/modification in writing (via the Operations Manual or otherwise).

3. TERM AND RENEWAL

A. **Term**. Unless previously terminated pursuant to this Agreement, the term of this Agreement shall be for a period of ten (10) years ("Initial Term") commencing as of the Effective Date.

B. **Renewal**. Franchisee may submit a request to renew this Agreement for up to one (1) additional terms of ten (10) years each, and must provide each request to renew no less than six (6) months and no more than nine (9) months prior to the end of the then-current term. Failure to provide such notice to Franchisor will be deemed an indication that Franchisee does not wish to renew the franchise relationship. Franchisor shall not unreasonably withhold its approval of such requests for renewal, provided Franchisee complies with the following conditions:

1. Franchisee must not have: (i) any uncured material defaults under this Agreement (including any monetary defaults) or any other agreement between Franchisee and Franchisor or the landlord of the Premises, either at time of Franchisee's renewal request or at the time of renewal; and (ii) received three (3) or more separate, written notices of material default from Franchisor with respect to this Agreement in the 24-month period preceding the renewal request date or renewal date, or two (2) or more such notices in the 12-month period preceding the renewal request date or renewal date.

2. Franchisee must execute Franchisor's then-current form of franchise agreement, which may contain materially different terms and conditions from those contained in this Agreement, within thirty (30) days of the date Franchisee is provided with Franchisor's then-current form of franchise agreement.

3. Franchisee pays Franchisor a renewal fee equal to Ten Thousand Dollars ($10,000), at least ninety (90) days prior to the expiration of the then-current term. Franchisee will not be required to pay an additional Initial Franchisee Fee (as defined in Section 4) upon renewal.

4. Franchisee and/or the Designated Manager (as defined in this Agreement and as applicable) attends any training refresher course prescribed by Franchisor at least thirty (30) days before the expiration of the then-current term of this Agreement, and pays Franchisor's then-current refresher training tuition fee for each attending trainee. Franchisee will also be responsible for all expenses incurred in connection with attending this refresher training.

5. Franchisee executes a general release under seal, in a form satisfactory to Franchisor, of any and all claims it may have against Franchisor and its officers, directors, shareholders, and employees in their corporate and individual capacities, including without limitation, all claims arising out of or related to (a) this Agreement, or (b) any federal, state, or local law, rule, or ordinance.

6. Franchisee must have participated in and supported the training procedures, purchasing, marketing, advertising, promotional, and other operational and training programs recommended or provided by Franchisor to the satisfaction of Franchisor.

7. Franchisee or transferee agrees, at its sole cost and expense, to re-image, renovate, refurbish, and modernize the Premises and Franchised Business within the time frame required by Franchisor, including the design, equipment, signs, interior and exterior décor items, displays, inventory assortment and depth, fixtures, furnishings, trade dress, color scheme, presentation of trademarks and service marks, supplies, and other products and materials, as necessary to meet Franchisor's then-current System standards, specifications, and design criteria for a newly opened Restaurant.

4. <u>FEES AND PAYMENTS</u>

A. **<u>Fees</u>**. In consideration of the rights and license granted herein, Franchisee shall pay the following amounts:

1. *Initial Franchise Fee.* Upon execution of this Agreement, Franchisee must pay Franchisor an initial franchise fee of (i) Thirty-Five Thousand Dollars ($35,000.00) for the operation of a Traditional Restaurant, or (ii) Twenty-Five Thousand Dollars ($25,000) for the operation of a Food Truck, Express, or Commissary Restaurant (the "Initial Franchise Fee"). The parties acknowledge and agree that the Initial Franchise Fee will be deemed fully earned and non-refundable under any circumstances upon payment.

2. *Royalty Fee.* Each week the Franchised Business is open and operating (and/or required to be open and operating under this Agreement), Franchisee must pay Franchisor an ongoing royalty fee amounting to five percent (5%) of the Gross Sales (as defined in Section 4(D)) generated by the Franchised Business during the preceding week (the "Royalty Fee"). The Royalty Fee is due on Thursday of every week for the preceding Business week.

3. *Brand Development Fund.* On or before the Thursday of each week the Franchised Business is open, Franchisee shall make the then-current contribution to the System-wide marketing fund (the "Fund") established by Franchisor. Franchisee must contribute such amount as Franchisor may designate from time to time, in an

amount equal up to two percent (2%) of the Gross Sales (as defined in this Section 4(D)) generated by the Franchised Business in the preceding Business Week. Currently, the Fund contrition is one-half of one percent (.5%).

4. *Technology Fee.* Franchisee shall pay Franchisor its then-current technology fee each month on the 5th day of each month (or other day as Franchisor may designate). The technology fee is currently $275 per month (the "Technology Fee"). Franchisor may designate and/or change the amount, scope, or manner of payment of this Technology Fee, including the party to whom payment is made, at any time providing reasonable notice to Franchisee.

5. *Phone Application*. Franchisee shall pay Franchisor its then-current phone application fee each month on the 5th day (or other day as Franchisor may designate). The phone application fee is currently $199 per month (the "Phone Application Fee"). Franchisor may designate and/or change the amount, scope, or manner of payment of this Phone Application Fee, including the party to whom the payment is made, at any time providing reasonable notice to Franchisee.

6. *Grand Opening Marketing.* At least thirty (30) days prior to the opening of the Restaurant through one hundred and eighty (180) days after opening, Franchisee must conduct a grand opening marketing campaign (the "Grand Opening Marketing Campaign") and spend at least $6,000 on the Grand Opening Marketing Campaign.

7. *Opening and Ongoing Inventory*. Franchisee must purchase from Franchisor and/or its affiliates certain operating inventory prior to opening the Restaurant. The estimated range of this initial purchase is between $5,000 and $10,000. Franchisee must also purchase certain ongoing inventory from Franchisor.

8. *Local Advertising*. Franchisee must expend a minimum of one percent (1%) of the Gross Sales of the Restaurant each calendar month (based on the Gross Sales of the Restaurant during the preceding calendar month) on local advertising and marketing (the "Local Advertising Requirement"). Franchisee must use only those materials that Franchisor has previously approved or designated, and Franchisor may require that Franchisee provide Franchisor with reports and other evidence of the local advertising expenditure each month. Franchisor reserves the right to increase the Local Advertisement up to two percent (2%).

9. If Franchisor allocates certain portions of the Fund to create/product advertising materials to be used by System franchisees, then Franchisee must cover the costs associated with shipping such materials to the Restaurant.

10. In connection with the required computer software to be used in connection with the point-of-sale system at the Restaurant (the "POS System"), Franchisee shall pay the then-current license and support fees charged by third party providers in connection with such POS System.

11. All other training/tuition fees as well as all amounts necessary to purchase marketing materials, inventory or other supplies from Franchisor or its affiliates must be paid on an ongoing basis, as described more fully in this Agreement.

B. **Method of Payment**. With the exception of the Initial Franchise Fee, Franchisee shall pay all fees and other amounts due to Franchisor and/or its affiliates under this Agreement through an electronic funds transfer program (the "EFT Program"), under which Franchisor automatically deducts all payments owed to Franchisor under this Agreement, or any other agreement between Franchisee and Franchisor or its affiliates, from the bank account Franchisee provides to Franchisor for use in connection with EFT Program (the "EFT Account"). Franchisee shall immediately deposit all revenues from operation of the Franchised Business into this bank account immediately upon receipt, including cash, checks, and credit card receipts. At least ten (10) days prior to opening the Franchised Business, Franchisee shall provide Franchisor with: (i) Franchisee's bank name, address and account number; and (ii) a voided check from such bank account. Contemporaneous with the execution of this Agreement, Franchisee shall sign and provide to Franchisor and Franchisee's bank, all documents, including Franchisor's form of EFT Authorization Form attached as Exhibit D to this Agreement, necessary to effectuate the EFT Program and Franchisor's ability to withdraw funds from such bank account via electronic funds transfer. Franchisee shall immediately notify Franchisor of any change in Franchisee's banking relationship, including any change to the EFT Account.

C. **Access to Computer System**. Franchisor may, without notice to Franchisee, have the right to independently and remotely access and view Franchisee's computer and security system used in connection with the Franchised Business (the "Computer System") via the Internet, other electronic means or by visiting the Restaurant, in order to obtain Gross Sales, tenant occupancy rates and other available information that Franchisor reasonably requests about the Franchised Business. Franchisee hereby consents to Franchisor using and disclosing to third parties (including, without limitation, prospective franchisees, financial institutions, legal and financial advisors), for any purpose or as may be required by law, any financial or other information contained in or resulting from information, data, materials, statements and reports received by Franchisor or disclosed to Franchisor in accordance with this Agreement. Franchisee must obtain and use the Computer System hardware, software and other components that Franchisor prescribed for use in connection with the Franchised Business, and utilize and participate in any intranet/extranet that Franchisor establishes in connection with the System.

D. **Gross Sales**. "Gross Sales" means the aggregate revenues the Restaurant receives from the sale of, or the provision of services with respect to, food, beverages, other menu items and other merchandise, whether for cash or on credit, less (a) applicable sales taxes you collect and remit to the appropriate tax authority, (b) valid coupon credits and employee discounts deducted from revenues initially recorded as Gross Sales and (c) revenue you derive from selling or issuing gift or loyalty cards (although revenue you derive from selling products and services to customers using those cards for payment is included in Gross Sales), but without deduction of any other costs or expenses whatsoever.

E. **Gross Sales Reports**. Franchisor reserves the right to require Franchisee to send Franchisor a signed weekly or monthly Gross Sales report (a "Gross Sales Report") detailing the following information: (i) Gross Sales of the Franchised Business from the preceding Business Week; (ii) Franchisee's calculated Royalty Fee and Fund Contribution (if appropriate) based on the Gross Sales from the preceding Business Week; and (iii) any other information Franchisor may require for that reporting period. Franchisor may, as it deems necessary in its sole discretion, change the form and content of the Gross Sales Reports from time to time. The parties agree and acknowledge that Franchisor may modify the interval at which it collects Franchisee's Royalty Fee, Fund Contribution and other recurring fees under this Agreement upon written notice (i.e., Franchisor may provide Franchisee with notice that it will be collecting these fees on a monthly rather than weekly basis). In such event, Franchisee's reporting obligations may also be modified by Franchisor accordingly.

F. **Late Payments**. If any payment due under this Agreement is not received by Franchisor by the scheduled date due, Franchisee shall be in default under this Agreement. If any payment is overdue, Franchisee shall pay Franchisor $10 per day that each payment is late for the first 10 days, then this amount increases to $50 per day.

G. **Taxes Owed by Franchisee**. No payments to be made to Franchisor by Franchisee, whether for royalties, advertising, merchandise, special programs, or otherwise, may be reduced on account of the imposition by any federal, state, or local authority of any tax, charge, or assessment, or by any claim Franchisee may have against Franchisor. All taxes, charges, or assessments shall be paid by Franchisee to the taxing authorities when due, in addition to the amounts due to Franchisor.

H. **Non-Reporting Enforcement Fee**. In the event Franchisee (1) fails to provide to Franchisor any (a) profit and loss statement or balance sheet, or (b) any other financial report or document that Franchisor requires hereunder, then Franchisee must pay Franchisor $10 per day that the document or report is late. After ten (10) days, this fee increases to $50 per day.

I. **Non-Compliance Fee**. In the event Franchisee deviates from the operational requirements set forth in the Manual, then Franchisor may charge Franchisee $250 for each deviation to reimburse Franchisor for administrative costs.

J. **Security Interest**. Franchisee hereby grants to Franchisor a security interest in all of Franchisee's interests in the real estate where the franchise is located (if Franchisee purchases its Premises), as well as all improvements to that real estate. Franchisee further grants to Franchisor a security interest in all furniture, furnishings, equipment, fixtures, inventory, and supplies located at or used in connection with the Franchised Business, whether now or hereafter leased or acquired, together with all attachments, accessions, accessories, additions, substitutions, and replacements therefore, as well as all cash and non-cash proceeds derived from insurance, the disposition of any such collateral to secure payment and performance of all debts, liabilities, and obligations of any kind of Franchisee to Franchisor under this Agreement, whenever and however incurred, any promissory note given by Franchisee to Franchisor, or any other agreement between them. Franchisee hereby authorizes Franchisor to file and record all financing statements, financing statement amendments, continuation financing statements, fixture filings, and other documents necessary or desirable to evidence, perfect, and continue the priority of the security interests granted herein. Franchisee agrees and understands that it must promptly execute and deliver any such documents to Franchisor upon request.

1. Notwithstanding anything contained in Section 4(I) of the Franchise Agreement to the contrary, Franchisee does not grant Franchisor any security interest in any real property associated with the Franchised Business if such real property is being leased by the Franchisee.

2. The parties agree that Franchisor will not execute on any security interest granted to Franchisor under Section 4(I) of the Franchise Agreement unless

Franchisee fails to cure a material default under the Franchise Agreement within the applicable time period for cure after Franchisor has provided Franchisee with proper notice of such default(s).

K. **Inability to Operate Franchised Business**. If Franchisee is unable to operate the Franchised Business due to damage or loss to the Premises caused or created by a casualty, act of God, condemnation, or other condition over which Franchisee has no control, then Franchisor will waive the Royalty Fee due under this Agreement for a period of time that Franchisor reasonably determines is necessary for the Franchised Business to repair the damage/loss to the Premises and resume operations (or relocate the Franchised Business to a different approved location within the Designated Territory), with said waiver period not to exceed one hundred and twenty (120) days commencing from the date Franchisee gives Franchisor notice of the damage or loss.

L. **Compliance with Gift Card Redemption Policies**. Franchisee agrees and acknowledges that Franchisor has set forth policies and guidelines regarding Franchisee's redemption of gift cards at the Franchised Business that were purchased at an PORT OF PERI PERI Restaurant other than the Franchised Business (and vice versa), along with directives and guidelines for how any compensation will be allocated amongst the Franchised Business and the other PORT OF PERI PERI Restaurant(s) at issue. Franchisee agrees and acknowledges that such policies and guidelines may affect Franchisee's payment obligations under this Agreement, whether to Franchisor and/or to a different Restaurant location, but agrees to strictly comply with such directives, policies and guidelines as set forth and updated by Franchisor in the Manuals or otherwise in writing.

M. **Compliance with Rewards Program**. Franchisee agrees and acknowledges that Franchisor has set forth policies and guidelines in its Manual(s) regarding a rewards program and Franchisee agrees to comply with those policies and guidelines set forth in the Manual(s).

5. DUTIES OF FRANCHISOR

A. **Initial Training Program**. Franchisor shall offer and make available an initial training program (the "Initial Training Program") for Franchisee and other management personnel Franchisee designates, provided the parties attend at the same time. One of the trainees must be Franchisee (or one of Franchisee's principals responsible for the Franchised Business if Franchisee is an entity) and, if applicable, one (1) of the other attendees must be Franchisee's Designated Manager that will be responsible for the day to day management of the Franchised Business (the "Designated Manager"). The Initial Training Program will be conducted at Franchisor's corporate headquarters or other facility that Franchisor designates, subject to the schedules and availability of Franchisor's training personnel. Franchisor will provide the Initial Training Program to additional owners of Franchisee or managers of the Franchised Business (subject to the availability of Franchisor's staff), provided Franchisee pays Franchisor its then-current additional training fee for each individual that attends in addition to the first four (4) individuals (as well as any expenses incurred).

B. **On-Site Assistance Training**. If and as Franchisor deems appropriate in its discretion, Franchisor may provide up to fourteen (14) days of on-site assistance and training at the Premises prior to the opening of the Franchised Business (the "On-Site Assistance Training"). Franchisor may determine, in its reasonable discretion, that Franchisee requires more than the standard seven (7) to fourteen (14) days of On-Site Assistance

Training if Franchisee or Franchisee's personnel are not able to demonstrate that they adequately understand and can follow the System standards and specification for operation as conveyed by Franchisor in the Initial Training Program and the first seven (7) to fourteen (14) days of On-Site Assistance Training. In the event Franchisor or its personnel provides additional On-Site Assistance Training due to Franchisee's inability to follow System standards and specifications, Franchisee will be responsible for the costs and expenses incurred by Franchisor and its personnel in connection with providing such additional training.

C. **Replacement Personnel Training**. Franchisor will also provide the Initial Training Program to any replacement personnel or those who attend but fail to complete the program as well, provided Franchisee pays Franchisor's then-current additional training fee (as well as any expenses incurred).

D. **Additional and Refresher Training**. Franchisor may, as it deems appropriate in its discretion, develop additional and refresher training courses, and require Franchisee and its management to attend such courses. Franchisor will require Franchisee and its designated attendees to pay Franchisor's then-current additional training fee (in addition to Franchisee's obligation to pay for any expenses incurred) which is currently Three Hundred Dollars ($300) per day plus travel, expenses, and room and board for the trainer (the "Additional Training Fee").

E. **Manuals**. Franchisor will loan Franchisee one (1) copy of its proprietary and confidential operations manual prior to the opening of the Franchised Business, as well as any other instructional manuals as Franchisor deems appropriate (collectively, the "Manuals"). Franchisor will also loan Franchisee a list of: (i) all furniture, fixtures, equipment, inventory, supplies and other items that Franchisee is required to purchase or lease in connection with the establishment and ongoing operation of the Franchised Business (collectively, the "Required Items"); (ii) a list of all suppliers from which Franchisee must purchase or lease any Required Items, which may be Franchisor or its affiliates (collectively, the "Approved Suppliers"); and (iii) a list of the Approved Products and Services that Franchisee is authorized to offer, sell or provide at and from the Franchised Business, including membership programs and services. The foregoing lists may be provided as part of the Manuals or otherwise in writing prior to opening, and Franchisor has the right to revise, supplement or otherwise modify these lists and the Manuals at any time upon written notice to you. Franchisor may also establish and maintain Franchisor's website portal, wherein Franchisor may post content that will automatically become part of, and constitute a supplement to, the Manuals, all of which Franchisee must strictly comply with promptly after such content is posted or otherwise listed as part of the manuals on such website portal. If Franchisee loses or destroys the Manuals, then Franchisee must pay Franchisor its then-current replacement fee.

F. **Site Selection Assistance**. Franchisor will provide Franchisee with site selection assistance and guidance with regards to Franchisee's selection of a Premises for the Franchised Business, including Franchisor's then-current site selection criteria, as it deems appropriate in its sole discretion. Franchisor may require that Franchisee use an Approved Supplier for site selection assistance. Franchisor will also review and approve of any location the Franchisee proposes for the Franchised Business. Franchisor must approve of Franchisee's proposed location, as well as the lease for the Premises (the "Lease") or purchase agreement for the location, prior to Franchisee entering into any such agreement for that location to serve as the Premises of the Franchised Business. Franchisor may condition its approval of any Lease for the proposed Premises on the landlord's execution of Franchisor's form of Consent and Agreement of Landlord attached to this Agreement at Exhibit C. Franchisor will use reasonable efforts to review and approve of any proposed Premises location and corresponding Lease within thirty (30) days of receiving all reasonably requested information from Franchisee.

G. **Initial Marketing Assistance**. Franchisor may assist Franchisee, as it deems appropriate in its discretion, in developing and conducting the initial marketing program (as described more fully in Section 9 of this Agreement), which program shall be conducted at Franchisee's expense.

H. **Opening Assistance/Continuing Assistance**. Franchisor may, as it deems appropriate and advisable in its sole discretion, provide opening assistance and continuing advisory assistance in the operation of the Franchised Business. Franchisor's determination not to provide any particular service, either initial or continuing, shall not excuse Franchisee from any of its obligations under this Agreement.

I. **Review of Advertising Materials**. Franchisor will review and approve/reject any advertising or marketing materials proposed by Franchisee in connection with the Franchised Business as described more fully in Section 9 of this Agreement

J. **Website**. For so long as Franchisor has an active website containing content designed to promote Franchisor's brand, System and Proprietary Marks (collectively, the "Website"), Franchisor will list the contact information of the Franchised Business on this Website, provided Franchisee is not in material default under this Agreement. Franchisor may also provide Franchisee with one or more email address(es), as it deems appropriate in its discretion, which Franchisee must use only in connection with the Franchised Business.

K. **Private Label Products**. Franchisor may directly, or indirectly through Franchisor's affiliates or designated vendors, develop and provide Franchisee with private label products or other merchandise bearing the Proprietary Marks to be sold at the Franchised Business. Franchisee may be required to purchase these items from Franchisor or any other Approved Supplier Franchisor designates.

L. **Inspections of the Franchised Business and Premises**. Franchisor will, as it deems appropriate in its sole discretion, conduct inspections and/or audits of the Franchised Business and Premises to ensure that Franchisee is operating its Franchised Business in compliance with the terms of this Agreement, the Manuals and the System standards and specifications. Such inspections may include inspections of the Premises, taking photographs and/or videotape of the Restaurant's common area, taking samples of any Approved Products for sale at the Restaurant, interviewing and surveying Franchisee's personnel and customers, inspecting any and all books and records, and conducting mystery shop services. Franchisor is not responsible for ensuring that the Franchised Business is being operated in compliance with all applicable laws and regulations.

a. Franchisor may establish a mystery shops program ("Mystery Shops Program") whereby a third-party vendor will patronize the Franchised Business and grade its experience based on criteria established by Franchisor or the third-party vendor. If established, Franchisee shall pay for the costs of the surveys conducted under the Mystery Shops Program to either Franchisor or a third-party vendor.

b. Franchisor and/or its affiliate(s) may also conduct quarterly service evaluations of the Franchised Business. Franchisee shall comply with any changes requested by Franchisor based on the quarterly evaluations.

M. **Administration of Fund**. Franchisor will administer the Fund as it deems advisable to the System in its sole discretion as described more fully in Section 9 of this Agreement.

N. **No Assumption of Liability**. Franchisor shall not, by virtue of any approvals or advice provided to the Franchisee under this Agreement, including site selection or other approval provided under this Section 5, assume any responsibility or liability to Franchisee or to any third party to which it would not otherwise be responsible or liable. Franchisee acknowledges that any assistance (including site selection and project oversight) provided by Franchisor or its nominee in relation to the selection or development of the Premises is only for the purpose of determining compliance with System standards and does not constitute a representation, warranty, or guarantee, express, implied or collateral, regarding the choice and location of the Premises, that the development of the Premises is free of error, nor that the Franchised Business is likely to achieve any level of volume, profit or success.

O. **Delegation of Duties**. Franchisee acknowledges and agrees that any designee, employee, or agent of Franchisor may perform any duty or obligation imposed on Franchisor by the Agreement, as Franchisor may direct.

P. **Pre-Opening Obligations Acknowledgement**. If Franchisee believes Franchisor has failed to provide adequate pre-opening services as provided in this Agreement, Franchisee shall notify Franchisor in writing within ninety (90) days following the opening of the Franchised Business. Absent such notice to Franchisor, Franchisee acknowledges, agrees and grants that Franchisor complied with all of its pre-opening and opening obligations set forth in this Agreement.

Q. **Annual Conference**. Franchisor may establish and conduct an annual conference for all System Restaurant owners and operators, and may require Franchisee to attend this conference for no more than five (5) days each year. Franchisee will be solely responsible for all expenses incurred in attending the annual conference (including any employee wages). The annual conference fee is currently Five Hundred Dollars ($500) per person (the "Annual Conference Fee").

6. DUTIES OF FRANCHISEE

A. **Secure a Premises**. Franchisee must secure a Premises within 3-6 months of executing this Agreement and open and commence operating the Franchised Business within 6 months of executing the lease, unless Franchisor agrees to an extension of time in writing. If Franchisor has designated an Approved Supplier for site selection assistance, then Franchisor may require that Franchisee use this Approved Supplier. If Franchisee is entering into a Lease for the proposed Premises, the form of Lease must be approved by Franchisor and Franchisee must ensure that the Lease contains the following terms as a condition to Franchisor's approval thereof:

1. The leased Premises will only be used as a System Restaurant offering only the Approved Products and Services that Franchisor designates;

2. Franchisor has the right to enter the Premises to make any modifications necessary to protect Franchisor's Proprietary Marks;

3. Upon Franchisor's request, the landlord shall supply Franchisor with a current copy of the Lease;

4. The landlord will notify Franchisor in writing of and upon the failure of Franchisee to cure any default by Franchisee under the Lease, and provide Franchisor with an opportunity to cure the default on behalf of Franchisee within a reasonable period of time;

5. Franchisee and its landlord must execute the form of Lease rider attached hereto as Exhibit C. Franchisor will have the option, but not the obligation, to assume or renew the Lease and the occupancy of the business premises, including the right to sublease to another party operating a System Restaurant, for all or any part of the remaining term of the Lease only if: (i) the Franchise Agreement or Lease is terminated for cause; (ii) Franchisee is in default under the Lease and, if applicable, fails to cure within the time period provided for in the Lease; (iii) Franchisee is in material default of the Franchise Agreement and fails to cure said default(s) within the applicable time period (if any) thereunder; or (iv) either the Franchise Agreement or Lease expires (and Franchisee does not renew in accordance with the respective terms of those agreements). Franchisor will not have the right to assume any Lease in the event Franchisee is relocating the Franchised Business from the Premises governed by the Lease in accordance with the terms of this Agreement. In the event Franchisor assumes the Lease under this Section, Franchisor will not be obligated to pay to the landlord past due rent, common area maintenance, and/or other charges attributable to more than one (1) month. The landlord shall give Franchisor thirty (30) days upon termination of Franchisee's rights under the Lease to exercise this option, which Franchise must do in writing; and

6. The Lease may not be materially amended, assigned, or terminated without Franchisor's prior written approval.

B. **Access to Franchisor for Inspection of Premises**. Upon the surrender of the Premises, Franchisee must conduct a physical inventory so that there is an accurate accounting of inventory, fixtures, furniture, supplies and equipment on hand, and shall provide a signed copy of this physical inventory to Franchisor as of the date of surrender of the Premises. Franchisor shall have the right to enter the Premises at its convenience and conduct said physical inventory on its own.

C. **Compliance with Lease**. Franchisee must comply with both the Lease and any additional leasehold covenants and regulations of the building in which the Premises is located. In the event the landlord of the Premises terminates the Lease due to Franchisee's default thereunder, this termination will also constitute a material breach of this Agreement by Franchisee. In the event Franchisor provides appropriate notice as described in Section 6(A) above and assumes control of the Premises and the operation of the former Franchised Business upon the termination or expiration of the Lease, the future operation of that Restaurant by Franchisor shall not be as an agent of Franchisee and Franchisor shall not be required to account to Franchisee as a result thereof.

D. **Construction and Build-Out**.

1. Franchisee must complete all construction and build-out of the Premises in a manner consistent with Franchisor's System standards, Design Book, specifications and any agreed-upon plans and open the Franchised Business to the public no later than six (6) months after the lease is executed. Franchisor may recommend that Franchisee use an Approved Supplier for construction management services. Franchisor must provide its prior written consent before Franchisee may open the Franchised Business, and Franchisor reserves the right to inspect the construction and/or build-out of the Franchised Business at any reasonable time prior to the opening date. Should Franchisee fail to open the Franchised Business for operation within the prescribed period (or, if applicable, within any extended period of time Franchisor approves in writing), this Agreement will be deemed terminated upon written notice from Franchisor to Franchisee without the necessity of further action or documentation by either party.

2. The parties further agree and acknowledge that if Franchisee is opening and operating the Franchised Business pursuant to its development obligations under an Area Development Agreement ("ADA") with Franchisor, then that ADA will control the timeline for opening and operating the Franchised Business in the event there is an inconsistency between the ADA and this Agreement. Franchisee must open and commence operations of the Franchised Business within the time period prescribed in the development schedule set forth in the ADA (even if Franchisor does not require Franchisee to execute this Agreement until Franchisee has secured an approved Premises for the Franchised Business).

E. **Required Licenses and Permits**. Prior to opening, Franchisee must obtain and maintain (throughout the term of this Agreement) all required licenses, permits and approvals to establish, open and operate the Franchised Business at the Premises in the Designated Territory, including all required licenses and permits related to operation of a restaurant or establishment offering food and the other Approved Products and Services provided at the Franchised Business.

F. **Approved Products and Services**. Franchisee must only offer and sell only the Approved Products and Services at the Franchised Business. Franchisee may not offer or provide any other products/services and must not deviate from Franchisor's System standards and specification related to the manner in which the Approved Products and Services are offered and sold, unless Franchisor provides its prior written consent. Franchisor has the right to add additional, delete or otherwise modify certain of the Approved Products and Services from time to time in the Manuals and otherwise in writing, as it deems appropriate in its sole discretion. In the event of a dispute between Franchisee and Franchisor concerning Franchisee's right to carry any particular product or to offer any specific service, Franchisee will immediately remove the disputed products from inventory, remove the disputed service from those services offered at the Premises, or, if the same are not already in inventory or such services not yet being offered, will defer offering for sale such products and services pending resolution of the dispute.

G. **Other Devices Prohibited at Premises**. Franchisee is specifically prohibited from installing, displaying, or maintaining any vending machines, gaming machines, automatic teller machines, internet kiosks, public telephones (or payphones), or any other electrical or mechanical device in the Restaurant other than those Franchisor prescribes or approves.

H. **Fixtures, Furniture, Signs and Inventory**. Franchisee must maintain at all times during the term of this Agreement and any renewals hereof, at Franchisee's expense, the Premises and all fixtures, furnishings, signs, and inventory therein as necessary to comply with Franchisor's standards and specifications as prescribed in the Manuals or otherwise in writing. Franchisee must also make such additions, alterations, repairs, and replacements to the foregoing as Franchisor requires. Franchisor will not require Franchisee to make material renovations or refurbishments to the Premises of the Franchised Business in excess of Twenty Thousand Dollars ($20,000) during the first two (2) years of the Term, unless the expenditure is (a) necessary for menu item production as determined by Franchisor, and (b) associated with the modification of the Marks used at Franchisee's Restaurant. FRANCHISEE ACKNOWLEDGES THAT EQUIPMENT, ALTERATIONS AND RENOVATIONS REQUIRED BY FRANCHISOR MAY INVOLVE SUBSTANTIAL ADDITIONAL INVESTMENT BY FRANCHISEE DURING THE TERM OF THIS AGREEMENT. In addition, we reserve the right to require you to purchase and install a vehicle wrap approved by us for the vehicle to be used in connection with the catering services.

I. **Compliance with Applicable Laws**. Franchisee must at all times conduct and operate the Franchised Business in accordance with all federal, state, and local laws, ordinances, and regulations applicable thereto, including any laws and regulations related to operating restaurants or businesses serving food. Franchisee will have sole authority and control over the day-to-day operations of the Franchised Business and Franchisee's employees and/or independent contractors. Franchisee agrees to be solely responsible for all employment decisions and to comply with all state, federal, and local hiring laws and functions of the Franchised Business, including without limitation, those related to hiring, firing, training, wage and hour requirements, compensation, promotion, record-keeping, supervision, and discipline of employees, paid or unpaid, full or part-time. At no time will Franchisee or Franchisee's employees be deemed to be employees of Franchisor or Franchisor's affiliates.

J. **Required Items**. Franchisee must: (i) purchase any and all Required Items that Franchisor designates for use in connection with the Franchised Business, including without limitation, all products, supplies, inventory, fixtures, Computer System, parts, and materials required for the operation of the Franchised Business; (ii) ensure that all Required Items meet Franchisor's standards and specifications; and (iii) purchase all items Franchisor specifies from the Approved Supplier(s) that Franchise designates, which may include Franchisor or its affiliate(s). Franchisee agrees and acknowledges that Franchisor and/or its affiliates may derive revenue from the offer and sale of Required Items.

K. **Alternative Supplier Approval**. If Franchisee wishes to purchase any unapproved item, including inventory, and/or acquire approved items from an unapproved supplier, Franchisee must provide Franchisor the name, address and telephone number of the proposed supplier, a description of the item Franchisee wishes to purchase, and the purchase price of the item, to the extent known. Franchisee must then follow Franchisor's then-current procedure for evaluating and approving such request and pay Franchisor's then-current product/supplier evaluation fee (the "Evaluation Fee"). At Franchisor's request, Franchisee must also provide Franchisor, for testing purposes, a sample of the item Franchisee wishes to purchase. If Franchisor incurs any costs in connection with testing a particular product or evaluating an unapproved supplier at Franchisee's request, Franchisee must reimburse Franchisor for Franchisor's reasonable testing costs, regardless of whether

Franchisor subsequently approves the item or supplier. Franchisor will use commercially reasonable efforts to notify Franchisee in writing whether or not Franchisee's request is approved or denied within thirty (30) days of: (i) Franchisor's receipt of all supporting information from Franchisee regarding Franchisee's request under this Section; and (ii) if applicable, Franchisor's completion of any inspection or testing associated with Franchisee's request. If Franchisor does not provide written approval within this time period, then Franchisee's request will be deemed denied. Franchisor may, but is not obligated to, provide Franchisee's proposed supplier with its specifications for the item that Franchisee wishes the third-party to supply, provided that third-party executes Franchisor's prescribed form of non-disclosure agreement. Each supplier that Franchisor approves must comply with Franchisor's usual and customary requirements regarding insurance, indemnification and non-disclosure. If Franchisor approves any supplier, Franchisee may enter into supply contracts with such third party, but under no circumstances will Franchisor guarantee Franchisee's performance of any supply contract. Franchisor may re-inspect and revoke Franchisor's approval of particular products or suppliers when Franchisor determines, in Franchisor's sole discretion, that such products or suppliers no longer meet Franchisor's standards. Upon receipt of written notice of such revocation, Franchisee must cease purchasing products from such supplier. Nothing in this Section shall be construed to require Franchisor to approve any particular supplier. Franchisor may base Franchisor's approval of any such proposed item or supplier on considerations relating not only directly to the item or supplier itself, but also indirectly to the uniformity, efficiency, and quality of operation Franchisor deems necessary or desirable in Franchisor's System as a whole. Franchisor has the right to receive payments from suppliers on account of their dealings with Franchisee and other franchisees and to use all amounts Franchisor receives without restriction (unless instructed otherwise by the supplier) for any purposes Franchisor deems appropriate.

L. **Computer Issues**. Franchisee acknowledges and agrees that Franchisee is solely responsible for protecting itself from 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.

M. **Promotional Materials Display**. Franchisee must openly and prominently display franchise promotional materials provided or designated by Franchisor and participate in any ongoing System-wide sales, specials or other promotions that Franchisor designates.

N. **Initial Training**. Franchisee and each of its management personnel must attend and successfully complete the Initial Training Program prior to opening the Franchised Business, and pay Franchisor the appropriate additional training fees for any additional person(s) that attend the program other than the first two (2) individuals. Franchisee must also cover all costs associated with personnel of Franchisee attending the Initial Training Program. Before Franchisor approves or schedules Franchisee (or any of Franchisee's initial personnel) to attend any portion of the Initial Training Program, Franchisee must: (i) submit, and obtain Franchisor's approval of, Franchisee's Grand Opening Marketing; (ii) undertake all steps to establish the EFT Account to use in connection with the Restaurant, including ensuring that both Franchisor and its designee has all authorizations and approvals necessary to access this EFT Account; (iii) demonstrate that Franchisee has all required insurance policies in place and that such policies name Franchisor and its designees as additional insureds; and (iv) provide Franchisor with completed and signed copies of all exhibits to your Franchise Agreement, to the extent such exhibits have not been signed or need to be updated/completed. Franchisee must also complete any additional or refresher training the Franchisor is permitted to require Franchisee to attend each year, and Franchisee must attend Franchisor's annual conference if conducted.

O. **Training of Employees**. Franchisee or at least one (1) of Franchisee's personnel that has successfully completed the Initial Training Program must conduct training classes for, and properly train, all of Franchisee's employees on sales, advertising, maintenance of the Premises, the POS and computer system, as well as any other information that is relevant to each employee's role with the Franchised Business, including Franchisor's standards and specifications for operating the Franchised Business, as Franchisor may set forth in the Manuals or otherwise in writing. Further, at least one person that has completed the Initial Training Program must manage the Franchised Business at all times.

P. **Hours of Operation**. Franchisee shall keep the Franchised Business open and in normal operation for such minimum hours and days as Franchisor may prescribe in the Manuals or otherwise in writing, and must ensure that the Franchised Business is sufficiently staffed.

Q. **Image**. Franchisee shall maintain the image of the Franchised Business at all times in accordance with Franchisor's standards and specifications, including: (i) ensuring that the Premises is maintained in a clean and orderly manner; and (ii) ensuring that all equipment, furniture and fixtures remain in good, clean condition and is properly displayed. Franchisor may require Franchisee to refurbish, renovate and/or otherwise substantively modify the interior of the Franchised Business, including the furniture, fixtures and equipment used at the Premises, no more than once every ten (10) years (unless the change is required in connection with a renewal or transfer of this Agreement) so that the Premises and Franchised Business conform with Franchisor's then-current System standards and specifications for a new System Restaurant.

R. **Customer Lists**. Franchisee must (i) maintain a list of all of its current and former customers, as well as their purchase history and any membership agreements associated therewith, at the Premises, and (ii) make such lists and contracts available for Franchisor's inspection upon request. Franchisee must promptly provide this information, which is deemed "Confidential Information" hereunder, to Franchisor upon expiration or termination of this Agreement for any reason.

S. **Promotional/Maximum Prices; Pricing Guidelines**. To the extent permitted under applicable law, Franchisee must follow Franchisor's general pricing guidelines, including any promotional or maximum prices set by Franchisor for a particular Approved Product or Service. As an independent contractor, however, Franchisee may exercise flexibility in meeting competition, offering specials, and adapting to local market conditions. Franchisor may request information from Franchisee that has been used to substantiate any reduction in pricing to meet market conditions.

T. **Operation of Franchised Business and Customer Service**. Franchisee will be responsible for the day-to-day operation of the business. Franchisee shall manage and operate the Franchised Business in an ethical and honorable manner, and must ensure that all those working at the Franchised Business provide courteous and professional services to customers and always keep its customers' interests in mind while protecting the goodwill of the Proprietary Marks, System and the Franchised Business. Franchisee must handle all customer complaints and requests for returns and adjustments in a manner consistent with Franchisor's standards and specifications, and in a manner that will not detract from the name and goodwill enjoyed by Franchisor. Franchisee must consider and act promptly with respect to handling of customer complaints, and implement complaint response procedures that Franchisor outlines in the Manuals or otherwise in writing.

U. **Access to Restaurant**. To determine whether Franchisee is complying with this Agreement, Manuals and the System, Franchisor and its designated agents or representatives may at all times and without prior written notice to Franchisee: (i) inspect the Premises; (ii) observe and monitor the operation of the Franchised Business for consecutive or intermittent periods as Franchisor deems necessary; (iii) interview personnel and customers of the Franchised Business; and (iv) inspect, audit and/or copy any books, records, and agreements relating to the operation of the Franchised Business, including all financial information. Franchisee agrees to cooperate with Franchisor fully in connection with these undertakings by Franchisor (if taken). If Franchisor exercises any of these rights, Franchisor will not interfere unreasonably with the operation of the Franchised Business.

V. **Personal Participation by Franchisee**. Franchisee shall designate an individual to serve as the "Designated Manager" for the Restaurant. The Designated Manager shall meet the following qualifications:

(i) The Designated Manager must have at least a ten percent (10%) interest in the Franchised Business (Franchisor reserves the right to waive this requirement) (Franchisor retains the right to waive this requirement);

(ii) The Designated Manager shall devote full time and best efforts to the supervision and conduct of the development and operation of the Restaurant and shall agree in writing to be bound by the non-competition and confidentiality covenants set forth in this Agreement at such time he or she becomes an owner of an interest in Franchisee; and

(iii) The Designated Manager shall be approved by Franchisor and shall complete Franchisor's initial training requirements and shall participate in and complete to Franchisor's satisfaction all additional training as may be reasonably required by Franchisor. If at any time for any reason the Designated Manager no longer qualifies to act as such, Franchisee shall promptly designate another Designated Manager subject to the same qualifications set forth in this Section 6.

W. **Management of the Restaurant**. The Designated Manager and one or more competent managers approved by Franchisor (who shall have completed Franchisor's initial training program to Franchisor's satisfaction) shall personally devote their full time and best efforts to the management and operation of the Restaurant in order to ensure compliance with this Agreement and to maintain Franchisor's high standards. Management responsibility shall include, without limitation, presence of the Designated Manager, manager, or an assistant manager who has successfully completed any training required by Franchisor before being designated as an Designated Manager, manager, or assistant manager at the Restaurant during all business hours; maintaining the highest standards of product quality and consistency; maintaining the Restaurant in the highest condition of sanitation, cleanliness and appearance; and supervising employees to ensure that the highest standard of service is provided and to ensure that Franchisee's employees deal with customers, suppliers, Franchisor, and all other persons in a courteous and polite manner. The Franchisor shall receive advance written notice of any change in the Designated Manager or assistant manager.

X. **Credit Cards**. Franchisee must accept credit cards at the Premises to facilitate sales, including Visa, MasterCard, American Express, Discover and any other major credit cards designated by Franchisor.

Y. **Payments to Franchisor**. Franchisee agrees to promptly pay Franchisor all payment and contributions that are due to Franchisor, its affiliates or any Approved Supplier.

Z. **Employment Decisions**. Franchisee agrees to be solely responsible for all employment decisions and to comply with all state, federal, and local hiring laws and functions of the Franchised Business, including without limitation, those related to hiring, firing, training, wage and hour requirements, compensation, promotion, record-keeping, supervision, and discipline of employees, paid or unpaid, full or part-time. Franchisee's employees must be competent, conscientious, and properly trained. Franchise agrees and acknowledges that: (i) nothing in this Agreement or franchise relationship shall create any kind of joint employer or employer-employee relationship between (a) Franchise, and (b) Franchisee and any Restaurant personnel; and (ii) Franchisee must indemnify, defend and hold harmless in connection with any costs or damages arising out of any such claim or cause of action.

AA. **Bookkeeping Software**. Franchisor may require Franchisee to use a third-party provider (other than QuickBooks) for bookkeeping services if Franchisee (i) fails to timely and accurately provide any and all required reports under this Agreement, or (ii) underreports the Gross Sales of the Restaurant at any time.

BB. **Annual Conference**. Franchisee must attend the annual business conference held by Franchisor, if conducted and pay Franchisor's then-current annual conference fee. This obligation cannot be delegated to non-shareholder managers. Franchisee will be responsible for all transportation, lodging, food and other costs incurred by the manager in attending the annual business conference.

7. PROPRIETARY MARKS AND OTHER INTELLECTUAL PROPERTY RIGHTS

A. **Ownership of Proprietary Marks**. Franchisee acknowledges the exclusive ownership and/or right to use the Proprietary Marks by Franchisor, and Franchisee agrees that during the term of this Agreement and after its expiration or termination Franchisee will not directly or indirectly contest or aid in contesting the validity of the Proprietary Marks or the ownership or rights of the Proprietary Marks by Franchisor. Furthermore, Franchisee intends and hereby concedes that any commercial use Franchisee may make of the Proprietary Marks shall contribute and inure to the commercial use and benefit of Franchisor, which Franchisor may claim to strengthen and further secure ownership of the Proprietary Marks.

B. **Permitted Use**. It is understood and agreed that the use by Franchisee of Franchisor's Proprietary Marks applies only in connection with the operation of the Franchised Business at the Premises, and includes only such Proprietary Marks as are now designated, or which may hereafter be designated in the Manuals or otherwise in writing as part of the System (which might or might not be all of the Proprietary Marks pertaining to the System owned by the Franchisor), and does not include any other mark, name, or indicia of origin of Franchisor now existing or which may hereafter be adopted or acquired by Franchisor.

C. **Use of Proprietary Marks in Advertising and Signage**. To develop and maintain high, uniform standards of quality and service and thereby protect Franchisor's reputation and goodwill, as well as that of the System, Franchisee agrees to:

1. Operate and advertise the Franchised Business only under the Proprietary Marks authorized by Franchisor as specified in this Agreement or the Manuals;

2. Maintain and display signage and advertising bearing the Proprietary Marks that reflects the current commercial image of the System and, upon notice from Franchisor, to immediately discard and cease use of Proprietary Marks or other imagery that has become obsolete and no longer authorized by Franchisor.

3. Upon Franchisor's request, Franchisee hereby covenants and agrees that it will affix in a conspicuous location in or upon the Premises, a sign containing the following notice: "This business is owned and operated independently by (*name of franchisee*) who is an authorized licensed user of the trademark, PORT OF PERI PERI® (or other Proprietary Mark we designate), under a license agreement with Peri Peri's Holdings LLC."

D. **Proprietary Marks are Sole Property of Franchisor**. Franchisee acknowledges that the Proprietary Marks, System, Manual, and all other information and items delivered to Franchisee by Franchisor pursuant to this Agreement or in furtherance of the System, including without limitation, video and audio tapes or disks, information communicated by electronic means, and intellectual property, are the sole and exclusive property of Franchisor, and Franchisee's right to use the same are contingent upon Franchisee's continued full and timely performance under this Agreement. Franchisee acknowledges it acquires no rights, interests, or claims to any of said property, except for Franchisee's rights to use the same under this Agreement for the term hereof and strictly in the manner prescribed. Franchisee agrees that it will not, during the term of this Agreement or any time thereafter, contest or challenge the sole and exclusive proprietary rights of Franchisor (and, if appropriate, Franchisor's affiliates) to the Proprietary Marks, System, Manuals, special recipes, ingredients, menu items, and other information, intellectual property, and items delivered or provided or to which Franchisee obtains access under this Agreement, nor shall Franchisee claim any proprietary interest in such property. Franchisee agrees that it will not adopt, display, attempt to register or otherwise use any names, marks, insignias, or symbols in any business that are or may be confusingly similar to the Proprietary Marks licensed under this Agreement.

E. **Legal Action Involving Proprietary Marks**. Furthermore, Franchisee agrees to cooperate with and assist Franchisor in connection with any legal action brought by or against either of them regarding the protection and preservation of the Proprietary Marks, System, or the Manuals, special recipes, ingredients, menu items, and other information and intellectual property delivered to Franchisee or used by Franchisee under this Agreement.

F. **Confidential Information**. Franchisee agrees that all documents, papers, notes, and other materials, as well as work products containing or derived from the proprietary information or from the knowledge of, or in connection with, the operation of the Franchised Business, will be Confidential Information (as defined in this Agreement) that is the exclusive property of Franchisor. Franchisee agrees that it will have no proprietary interest in any work product developed or used by it that arises out of the operation of the Franchised Business. Franchisee will, from time to time as may be requested by Franchisor, do all things that may be necessary to establish or document Franchisor's ownership of any such work product, including without limitation, the execution of assignments.

G. **Improvements**. Franchisee agrees to disclose promptly to Franchisor any and all inventions, discoveries, and improvements, whether or not patentable or copyrightable, that are conceived or made by Franchisee or its employees or agents that are in any way related to the establishment or operation of the Franchised Business (collectively, the "Improvements"), all of which shall be automatically and without further action owned by Franchisor without compensation to Franchisee (including all intellectual property rights therein). Whenever requested to do so by Franchisor, Franchisee will execute any and all applications, assignments, or other instruments that Franchisor may deem necessary to apply for and obtain intellectual property protection or to otherwise protect Franchisor's interest therein. These obligations shall continue beyond the termination or expiration of this Agreement. If a court should determine that Franchisor cannot automatically own certain of the Improvements that may be developed, then Franchisee hereby agrees to grant Franchisor a perpetual, royalty-free worldwide license to use and sublicense others to use such Improvements.

H. **Modification or Substitution of Marks by Franchisor**. If in Franchisor's reasonable determination, the use of Proprietary Marks in connection with the System will infringe or potentially infringe upon the rights of any third party, weakens or impairs Franchisor's rights in the Proprietary Marks, or it otherwise becomes advisable at any time in Franchisor's sole discretion for Franchisor to modify, discontinue, or to use one (1) or more additional or substitute trade or service Proprietary Marks then upon notice from Franchisor, Franchisee will terminate or modify, within a reasonable time, such use in the manner prescribed by Franchisor. If Franchisor changes the Proprietary Marks in any manner, Franchisor will not reimburse Franchisee for any out-of-pocket expenses that Franchisee incurs to implement such modifications or substitutions. Franchisor is not obligated to reimburse Franchisee for any loss of goodwill or revenue associated with any modified or discontinued Proprietary Mark or good offered, nor is Franchisor responsible for reimbursing Franchisee for any other costs or damages

I. **Other Modification or Substitution of Proprietary Marks**. Franchisee agrees not to make any changes or amendments whatsoever in or to the use of the Proprietary Marks unless directed by Franchisor in writing.

J. **Cease Use of Marks on Termination/Non-Renewal**. Upon termination or expiration and non-renewal of this Agreement, Franchisee agrees to immediately cease use, in any manner whatsoever, of any of the Proprietary Marks or any other Proprietary Marks or trade names that may be confusingly similar to the Proprietary Marks.

K. **Disconnection of Telephone Number upon Termination/Renewal**. Franchisee acknowledges that there will be substantial confusion among the public if, after the termination or expiration and non-renewal of this Agreement, Franchisee continues to use advertisements and/or the telephone number listed in the telephone directory or online under or containing the Proprietary Marks or any name similar to it. Thus, effective upon the termination or expiration and non-renewal of this Agreement, Franchisee agrees to direct the telephone company servicing Franchisee, per Franchisor's request, to disconnect the telephone number used in connection with the Franchised Business or transfer such number to Franchisor or to any person or location of Franchisor's choosing. If Franchisee fails to take these steps, Franchisee shall be deemed to have hereby irrevocably appointed

Franchisor as Franchisee's attorney-in-fact for purposes of directing and accomplishing such transfer. Franchisee understands and agrees that, notwithstanding any billing arrangements with any telephone company or yellow pages directory company, Franchisor will be deemed for purposes hereof to be the subscriber of such telephone numbers, with full authority to instruct the applicable telephone or yellow pages directory company as to the use and disposition of telephone listings and numbers. Franchisee hereby agrees to release, indemnify, and hold such companies harmless from any damages or loss as a result of following Franchisor's instructions.

L. **Non-Exclusive Use of Proprietary Marks**. Franchisee understands and agrees that its right to use the Proprietary Marks is non-exclusive, that Franchisor in its sole discretion has the right to grant licenses to others to use the Proprietary Marks and obtain the benefits of the System in addition to the licenses and rights granted to Franchisee under this Agreement, and that Franchisor may develop and license other trademarks or service marks in conjunction with systems other than the System on any terms and conditions as Franchisor may deem advisable where Franchisee will have no right or interest in any such other trademarks, licenses, or systems.

M. **Acknowledgements**. With respect to Franchisee's use of the Proprietary Marks pursuant to this Agreement, Franchisee acknowledges and agrees that:

1. Franchisee shall not use the Proprietary Marks as part of Franchisee's corporate or any other business name, domain name, e-mail address or any social media or social networking profile/page;

2. Franchisee shall not hold out or otherwise use the Proprietary Marks to perform any activity or incur any obligation or indebtedness in such a manner as might in any way make Franchisor liable therefor without Franchisor's prior written consent; and

3. Franchisee shall execute any documents and provide such other assistance deemed necessary by Franchisor or its counsel to obtain protection for Proprietary Marks or to maintain the continued validity of such Proprietary Marks.

N. **No Unauthorized Use**. Franchisee acknowledges that the use of the Proprietary Marks outside the scope of this license without Franchisor's prior written consent is an infringement of Franchisor's exclusive right to use the Proprietary Marks and, during the term of this Agreement and after the expiration or termination hereof, Franchisee covenants not to directly or indirectly commit an act of infringement, contest or aid in contesting the validity or ownership of Franchisor's Proprietary Marks, or take any other action in derogation thereof.

O. **Notification of Infringement**. Franchisee shall notify Franchisor within five (5) calendar days of any suspected infringement of, or challenge to, the validity of the ownership of, or Franchisor's right to use, the Proprietary Marks licensed hereunder. Franchisee will not communicate with any persons other than Franchisor or Franchisor's legal counsel in connection with any such infringement, challenge, or claim. Franchisee acknowledges that Franchisor has the right to control any administrative proceeding or litigation involving the Proprietary Marks. In the event Franchisor undertakes the defense or prosecution of any litigation relating to the Proprietary Marks, Franchisee agrees to execute any and all documents and to do such acts and things as may be necessary in the opinion of counsel for Franchisor to carry out such defense or prosecution.

P. **Indemnification Regarding Marks**. Franchisor will indemnify and defend Franchisee against any third-party claim brought against Franchisee that arises solely out of Franchisee's authorized use of the Proprietary Marks licensed under this Agreement in connection with the Franchised Business, provided: (i) such use is in full compliance with Franchisor's standards and specifications; and (ii) Franchisee notifies Franchisor in writing of this third-party claim within three (3) calendar days of receiving notice or otherwise learning of the claim. Franchisor will have complete control over the defense and, if appropriate, settlement negotiations and resolution regarding the claims described in this Section, including the right to select legal counsel Franchisor deems appropriate. Franchisee must fully cooperate with Franchisor in connection with Franchisor's defense or settlement of any third-party claim that Franchisor determines to take control of under this Section 7. Notwithstanding anything in this Section to the contrary, Franchisor's liability under this Section shall be limited to no more than the Initial Franchise Fee paid under this Agreement.

Q. **Other Obligations of Franchisee**. In addition to all other obligations of Franchisee with respect to the Proprietary Marks licensed herein, Franchisee agrees:

1. To feature and use the Proprietary Marks solely in the manner prescribed by Franchisor and not use the Proprietary Marks on the internet except as approved in writing by Franchisor; and

2. To observe all such requirements with respect to service mark, trademark and copyright notices, fictitious name registrations, and the display of the legal name or other identification of Franchisee as Franchisor may direct in writing from time to time.

8. OPERATIONS MANUALS AND CONFIDENTIAL/CONFIDENTIAL INFORMATION

A. **Compliance with Manuals**. In order to protect the reputation and goodwill of Franchisor and the System, and to maintain uniform standards of operation under Franchisor's Proprietary Marks, Franchisee shall conduct the Franchised Business in strict accordance with Franchisor's Manuals.

B. **Control of the Franchised Business**. Franchisee acknowledges the Manuals provided by Franchisor to Franchisee is intended to protect Franchisor's standards, systems, names, and marks and is not intended to control day-to-day operation of Franchisee's business. Franchisee further acknowledges and agrees that the Franchised Business will be under the control of the Franchisee at all times.

C. **Confidential Information**. In connection with the operation of the Franchised Business, Franchisee will from time to time become acquainted with, work with, and even generate certain information, procedures, techniques, data, special recipes, ingredients, menu items, and materials that are and, by this Agreement, will become proprietary to Franchisor. Franchisee and all persons signing this Agreement agree to keep confidential any of Franchisor's trade secrets or proprietary information as defined below and will not use such for its or their own purpose or supply or divulge same to any person, firm, association, or corporation except as reasonably necessary to operate the Franchised Business.

D. **<u>Trade Secrets and Confidential Information</u>**. The confidentiality requirements set forth in the preceding paragraph will remain in full force and effect during the term of this Agreement and in perpetuity after its termination or expiration and non-renewal. Franchisor's trade secrets and proprietary/confidential information include the following:

1. The Manuals, as well as information related to the following: (i) site-selection criteria for Restaurants; (ii) methods, techniques and trade secrets for use in connection with the System for the establishment and operation of a Restaurant; (iii) marketing research and promotional, marketing and advertising programs for the Franchised Business and Restaurants generally; (iv) knowledge of specification for and suppliers of, and methods of ordering, certain products, fixtures, furnishings, equipment and inventory used at the Franchised Business and Restaurants generally; (v) knowledge of the operating results and financial performance of any Restaurant utilizing the System; (vi) customer communication and loyalty programs, along with data used or generated in connection with those programs; (vii) Franchisor's other instructional manuals, as well as any training materials and information Franchisor has developed for use in connection with the System; (viii) information regarding the development of the Proprietary Marks; (ix) information generated by, or used or developed in, the operation of the Franchised Business, including customer names, addresses, telephone numbers and any other information contained in the Franchised Business's computer system; and (x) the design, build-out and any construction/remodeling plans for the interior and exterior of the Franchised Business and Restaurants generally;

2. The special recipes, ingredients, menu items, and storage/preparation/cooking/presentation techniques and methodology associated with the Approved Products; and

3. Any other information that may be imparted to Franchisee from time to time and designated by Franchisor as confidential (collectively, the "Confidential Information").

E. **<u>Confidential Information as Property of Franchisor</u>**. Franchisee acknowledges and agrees that the Confidential Information and any business goodwill of the Franchise are Franchisor's sole and exclusive property and that Franchisee will preserve the confidentiality thereof. Upon the termination or expiration and non-renewal of this Agreement, all items, records, documentation, and recordings incorporating any Confidential Information will be immediately turned over by Franchisee, at Franchisee's sole expense, to Franchisor or to Franchisor's authorized representative.

F. **<u>Information Not Proprietary</u>**. Excepted from Confidential Information for purposes of non-disclosure to any third parties by Franchisee and/or its Restricted Persons (as hereinafter defined) is information that:

1. Becomes publicly known through no wrongful act of Franchisee or Restricted Persons; or

2. Is known by Franchisee or Restricted Persons without any confidential restriction at the time of the receipt of such information from Franchisor or becomes rightfully

known to them without confidential restriction from a source other than Franchisor.

G. **Reasonable Efforts to Maintain Confidentiality**. Franchisee shall at all times treat the Confidential Information as confidential and shall use all reasonable efforts to keep such information secret and confidential. The Manuals must remain at the Premises and be kept in a secure location, under lock and key, except when it is being studied by Franchisee or Franchisee's employees. Franchisee shall not, at any time without Franchisor's prior written consent, copy, scan, duplicate, record, distribute, disseminate, or otherwise make the Manuals available to any unauthorized person or entity, in whole or in part.

H. **Prevention of Unauthorized Use or Disclosure**. Franchisee shall adopt and implement all reasonable procedures as Franchisor may prescribe from time to time to prevent the unauthorized use or disclosure of any of the Confidential Information. Franchisee must ensure and require that all of its officers, agents, directors, shareholders, trustees, beneficiaries, partners, employees, spouses of employees, and independent contractors who may obtain or who are likely to obtain knowledge concerning the Confidential Information (collectively, "Restricted Persons") execute Franchisor's prescribed form of confidentiality agreement that will be in substantially the same form attached to this Agreement as Exhibit E (the "Confidentiality and Non-Competition Agreement"). Franchisee must obtain a signed copy of the Confidentiality and Non-Competition Agreement from any such person prior to, or at the same time of, that person undertaking its role and/or employment or association with Franchisee or the Franchised Business. Franchisee's spouse or significant other shall also be bound by the same requirement and shall sign the same Confidentiality and Non-Competition Agreement. Franchisee must provide Franchisor with a copy of each signed Confidentiality and Non-Competition Agreement within ten (10) days of Franchisor's request.

I. **Loan of Manuals**. Franchisor will loan one (1) copy of the Manuals to Franchisee. The Manuals shall at all times remain the sole property of Franchisor and must be returned to Franchisor upon termination or expiration and non-renewal of this Agreement.

J. **Modification of Manuals**. In order for Franchisee to benefit from new knowledge, information, methods, and technology adopted and used by Franchisor in the operation of the System, Franchisor may from time to time revise the Manuals, and Franchisee agrees to adhere to and abide by all such revisions (at its expense). Franchisee agrees at all times to keep its copy of the Manuals current and up-to-date. In the event of any dispute as to the contents of Franchisee's Manual, the terms of the master copy of the Manuals maintained by Franchisor at its home office shall be controlling. Out-of-date pages must be returned to Franchisor immediately upon replacement. Franchisor may provide any supplements, updates or revisions to the Manuals via the Internet, email, the System-wide intranet/extranet or any other electronic or traditional mediums it deems appropriate.

9. ADVERTISING

A. **Advertising and Sales Promotion Programs**. Franchisor may from time to time develop and create advertising and sales promotion programs designed to promote and enhance the collective success of all or some of the Restaurants operating under the System. Franchisee must participate in all such advertising and sales promotion programs in accordance with the terms and conditions established by Franchisor for each program. In all aspects of these programs, including without limitation, the type/quantity/timing/placement and choice of media, and market areas and advertising agencies, the System standards and specifications established by Franchisor shall be final and binding upon Franchisee. Franchisor may also request that Franchisee purchase and/or make copies of (and Franchisee's expense) and subsequently use certain other advertising or promotional materials that Franchisor designates for use in connection with the Franchised Business.

B. **Approval for all Advertising/Promotional Materials**. All advertising and promotion by Franchisee in any medium must be conducted in a professional manner and shall conform to Franchisor's standards and requirements as set forth in the Manuals or otherwise. Franchisee shall obtain Franchisor's approval of all advertising and promotional plans and materials prior to use if such plans and materials have not been prepared by Franchisor or previously approved by Franchisor during the twelve (12) months prior to their proposed use. Franchisee must submit unapproved plans and materials to Franchisor, and Franchisor will have thirty (30) days to notify Franchisee of its approval or disapproval of such materials. If Franchisor does not provide its specific approval of the proposed materials within this thirty (30) day period, the proposed materials will be deemed rejected. Any plans and materials that Franchisee submits to Franchisor for its review will become Franchisor's property and there will be no restriction on Franchisor's use or dissemination of such materials. Franchisor may revoke its approval of any previously-approved advertising materials upon notice to Franchisee. Franchisor reserves the right to require Franchisee to include certain language on all advertising to be used locally by Franchisee or to be used by a Cooperative, including, but not limited to, the phrase "Franchises Available" and references to Franchisor's telephone number and/or website.

C. **Grand Opening Marketing**. Franchisee must spend such amounts as Franchisor may reasonably require, at minimum Six Thousand Dollars ($6,000) to promote and advertise the grand opening of the Franchised Business within the Designated Territory ("Grand Opening Marketing"), which must be expended during the time period beginning approximately thirty (30) days prior to the opening of the Franchised Business through one hundred and eighty (180) days after the opening of the Franchised Business. Franchisor reserves the right to collect the Grand Opening Marketing directly from Franchisee in order to implement the initial marketing campaign on Franchisee's behalf.

D. **Local Advertising Requirement**. In addition Grand Opening Marketing, Franchisee shall expend such amounts as Franchisor may designate from time to time for advertising and marketing the Franchised Business within the Designated Territory (the "Local Advertising Requirement"). Currently, Franchisee must expend a minimum of one percent (1%) of the Gross Sales of the Franchised Business each calendar month (based on the Gross Sales of the preceding calendar month) on local advertising and marketing. Franchisor reserves the right to increase this amount up to two percent (2%) of Gross Sales.

1. Upon Franchisor's request, Franchisee must provide Franchisor with invoices or other proof of its monthly expenditures on local advertising and marketing.
2. Franchisee must ensure that: (i) the Franchised Business has a dedicated phone line for use in connection with the Franchised Business only (and no other business, including any other PORT OF PERI PERI franchise); (ii) the Franchised Business is listed in the appropriate Internet-based directories that Franchisor designates.

3. Franchisee may not advertise and promote the Franchised Business outside of the Designated Territory, unless (a) the geographic area wherein Franchisee wishes to advertise is contiguous to the Designated Territory and that area has not been granted to any other PORT OF PERI PERI location or PORT OF PERI PERI franchisee/developer, or (b) Franchisor otherwise provides its prior written consent in writing.

E. **Brand Development Fund**. Franchisor has established a brand development Fund designed to promote the System, Proprietary Marks and PORT OF PERI PERI brand generally. Franchisee must contribute such amount as Franchisor may designate from time to time, up to two percent (2%) of Gross Sales (as defined in Section 4(D)) generated by the Franchised Business in the preceding Business Week, as described in Section 4. All payments by Franchisee to the Fund are non-refundable upon payment, and Franchisor will account separately for all sums paid to the Fund. The Fund will be maintained and administered by Franchisor or Franchisor's designee as follows:

1. Franchisor will use Fund and all contributions to it and any earnings on it, exclusively for preparing, directing, conducting, placing, and administering advertising, marketing, public relations, and/or promotional programs and materials, and any other activities, that Franchisor believes would enhance the image of the System, Proprietary Marks, and Approved Products or Services.

2. Franchisor is not obligated to spend monies from the Fund in any particular Franchisee's market in proportion to the payments to the Fund made by the Franchisee in that market. Franchisor does not represent that it will spend any particular amount of advertising funds locally, regionally, or nationally.

3. The Fund may be used to meet any and all costs of: maintaining, administering, directing, and preparing advertising, including any and all digital marketing/advertising content, as well as employing technology designed to enhance the System or that is otherwise associated with training tools designed to assist Restaurant owners. This includes, among other things, direct mail advertising, marketing surveys and other public relations activities, developing and maintaining the Franchisor's Website, employing advertising and public relations agencies, purchasing promotional items, providing other marketing materials and services to the Restaurants operating under the System, and any other activities that Franchisor determines appropriate to develop the brand and/or System. These costs may include the proportionate salary share of Franchisor's employees that devote time and render services for advertising and promotion or the administration of the Fund, including administrative costs, salaries, and overhead expenses related to administering the Fund and its programs. No part of the Fund shall be used by Franchisor to defray any of its general operating expenses, other than those Franchisor allocates to the advertising described in this Section or other activities reasonably related to the administration or direction of the Fund.

6. Franchisor shall administratively segregate all contributions to the Fund on its books and records. All such payments to the Fund may be deposited in Franchisor's general operating account, may be commingled with Franchisor's general operating funds, and may be deemed an asset of Franchisor, subject to Franchisor's obligation to expend the monies in the Fund in accordance with the terms hereof. Franchisor may, in its sole discretion, elect to accumulate monies in the Fund for

such periods of time, as it deems necessary or appropriate, with no obligation to expend all monies received in any fiscal year during that fiscal year. In the event Franchisor's expenditures for the Fund in any one (1) fiscal year shall exceed the total amount contributed to the Fund during such fiscal year, Franchisor shall have the right to be reimbursed to the extent of such excess contributions from any amounts subsequently contributed to the Fund or to use such excess as a credit against its future contributions. The parties do not intend that the Fund be deemed a trust.

7. Franchisor shall, on an annual basis, account for the operation of the Fund and prepare an unaudited financial statement evidencing such accounting, which will be available to Franchisee upon its written request ninety (90) days after the Franchisor's fiscal year end. Franchisor will not be required to provide an audit with respect to the Fund, and Franchisor may dissolve the Fund at any time after it is established.

F. **Advertising Council**. Franchisor may establish, if and when it deems appropriate in its sole discretion, a council to provide advice and guidance regarding the administration of the Fund and various other advertising/marketing matters (an "Advertising Council"). If Franchisor establishes an Advertising Counsel, it may serve in only an advisory capacity and may consist of franchisees, personnel from Franchisor's affiliate-owned Restaurants, or other management/employees that Franchisor designates. If an Advertising Council is established, the membership of such Advertising Council, along with the policies and procedures by which it operates, will be determined by Franchisor. The recommendations of the Advertising Council shall not be binding on Franchisor.

G. **Website**. Franchisor agrees that it will establish an interior page on its corporate website to display the Premises and contact information associated with the Franchised Business for so long as (i) the Franchised Business is open and actively operating, and (ii) this Agreement is not subject to termination. Franchisee may not establish any separate website or other Internet presence in connection with the Franchised Business, System or Proprietary Marks without Franchisor's prior written consent. If approved to establish a separate website, Franchisee shall comply with Franchisor's policies, standards and specifications with respect to the creation, maintenance and content of any such website. Franchisee specifically acknowledges and agrees that any website owned or maintained by or for the benefit of Franchisee shall be deemed "advertising" under this Agreement, and will be subject to (among other things) Franchisor's approval as described in this Section 9. Franchisee may not promote or otherwise list its Franchised Business, or the Proprietary Marks or System, on any social media or networking site, including without limitation, Facebook, LinkedIn, Instagram, Pinterest, Twitter or YouTube, without Franchisor's prior written consent. Franchisor shall have the right to modify the provisions of this Section relating to Franchisee's use of separate websites and social media, as Franchisor determines necessary or appropriate.

H. **Cooperatives**. Franchisor may establish regional advertising cooperatives that are comprised of multiple Restaurant owners located within a geographical region that Franchisor designates (each, a "Cooperative"). If Franchisor establishes a Cooperative and designates Franchisee as a member thereof, Franchisee may be required to contribute to the Cooperative in an amount not to exceed Franchisee's Local Advertising Requirement each month. All amounts paid to a Cooperative will be credited towards Franchisee's Local

Advertising Requirement. Franchisor shall have the right to specify the governing rules, terms and operating procedures of any Cooperative.

10. ACCOUNTING AND RECORDS

A. **Maintenance of Records**. Franchisee must, in a manner satisfactory to Franchisor and in accordance with generally accepted accounting principles, maintain original, full, and complete register tapes, computer files, back-up files, other records, accounts, books, data, licenses, contracts, and product vendor invoices which shall accurately reflect all particulars relating to the Franchised Business, as well as other statistical and financial information and records Franchisor may require. All of this information must be kept for at least three (3) years, even if this Agreement is no longer in effect. Upon Franchisor's request, Franchisee must furnish Franchisor with copies of any or all product or equipment supply invoices reflecting purchases by or on behalf of the Franchised Business. In addition, Franchisee shall compile and provide to Franchisor any statistical or financial information regarding the operation of the Franchised Business, the products and services sold by it, or data of a similar nature, including without limitation, any financial data that Franchisor believes that it needs to compile or disclose in connection with the sale of franchises or that Franchisor may elect to disclose in connection with the sale of franchises. All data provided to the Franchisor under this Section 10 shall belong to Franchisor and may be used and published by Franchisor in connection with the System (including in Franchisor's disclosure documents).

B. **Examination and Audit of Records**. Franchisor and its designated agents shall have the right to examine and audit Franchisee's records, accounts, books, computer files, and data at all reasonable times to ensure that Franchisee is complying with the terms of this Agreement. If such audit discloses that Franchisee has underreported the Gross Sales of the Franchised Business or any amount due to Franchisor by two percent (2%) or more in any given reporting period (weekly, monthly or otherwise), then Franchisee must: (i) reimburse Franchisor any costs/expenses incurred in connection with conducting the inspection and audit; and (ii) pay any amount due and owing Franchisor as a result of Franchisee's underreporting, along with any accrued interest at a rate of the lesser of (i) 1.5% per month, or (ii) the highest commercial contract rate allowed by law, on said amounts.

C. **Computer System for Records**. Franchisee shall record all transactions and Gross Sales of the Franchised Business on a Computer System that is approved by Franchisor, which must contain software that allows Franchisee to record accumulated sales without turning back, resetting or erasing such sales. Franchisor will, at all times and without notice to Franchisee, have the right to independently and remotely access and view Franchisee's Computer System as described in Section 4 of this Agreement.

D. **Computer System Files and Passwords**. Franchisee will not install or load any computer software on the hard disks of the Computer System used in connection with the Franchised Business without Franchisor's prior written consent. All computer and file passwords associated with the Computer System must be supplied as a list to Franchisor by Franchisee, along with any modifications or changes to that list. The passwords to access the Computer System located at the Premises or used by the Franchised Business, as well as all computer files and records related to the Franchised Business, are the exclusive property of Franchisor and Franchisee must provide Franchisor with these files and information upon the termination or expiration of this Agreement.

E. **Current Contracts, Listings and Projects**. At any time and upon request of Franchisor, Franchisee shall provide Franchisor with a copy or summary listing, at Franchisor's discretion, of all current contracts, listings, agreements, and projects that Franchisee is involved in or working with.

F. **Tax Returns**. Upon Franchisor's request, Franchisee shall furnish the Franchisor with a copy of each of its reports, returns of sales, use and gross receipt taxes, and complete copies of any state or federal income tax returns covering the operation of the Franchised Business, all of which Franchisee shall certify as true and correct.

G. **Submission of Performance Reports**. Franchisee shall submit to Franchisor, for review or auditing, financial statements, including a balance sheet and income statement prepared on a monthly basis, Gross Sales reports and performance reports for monthly periods, and such forms, reports, records, information, and data as Franchisor may reasonably designate, in the form and place reasonably required by Franchisor, including without limitation, by electronic telecommunications data transmission methods, upon request and as specified from time to time in the Manuals or otherwise in writing. Such reporting shall be submitted no later than the tenth (10th) day of the month following the reporting period or such other date specified in writing by Franchisor. Failure to do so will result in an administrative fee of Ten Dollars ($10) per day for each day the report is late. If Franchisee prepares and submits to Franchisor monthly profit and loss statements, Franchisor may require Franchisee to have a certified public accountant review such statements on a quarterly basis, the expense of which shall be borne entirely by the Franchisee, and then submit such quarterly reviews to the Franchisor. Franchisee also shall immediately notify Franchisor in writing when one or more liens or judgments are filed against the Franchisee, the Franchised Business and/or any of the personal guarantors (if any) under this Agreement.

H. **Submission of Financial Statements and Tax Returns**. Franchisee shall submit, within (a) copies of a balance sheet, profit and loss statement and cash flow report for the Franchised Business operations that, at Franchisor's option, is prepared and certified by a certified public accountant which cover the previous twelve (12) months of operations of the Franchised Business within 45 days of each calendar/fiscal year-end, and (b) monthly profit and loss statements each month on or before the 5th of each month for the immediately preceding month of operations. Each financial submission shall be certified by Franchisee as true and correct. The fiscal year of the Franchised Business must coincide with the calendar year. Franchisee also shall submit, within five (5) days of their filing, its federal and state tax returns for each year during the term of this Agreement; provided, however, that if Franchisee is not a corporation or partnership, Franchisee may, at its option, submit only those schedules to its personal tax filings which reflect the revenues and expenses of the Franchised Business. Franchisee's failure to provide any report will result in Franchisee being charged the Non-Reporting Enforcement Fee if Franchisee fails to provide such report(s) within the time period discussed in Section 4(H).

I. **Right to Require Audit if Franchisee Underreports**. In the event a prior audit or inspection conducted by Franchisor (or its designee) has revealed that Franchisee has been underreporting the Gross Sales of the Franchised Business by two percent (2%) or more for any reporting period as described in Section 10(B), then Franchisor may require Franchisee to provide, at the Franchisee's expense, audited financial statements that comply with GAAP and GAAS for Franchisee's fiscal year within 120 days of Franchisee's fiscal year end.

J. **Change to Ownership of Franchisee**. In addition to the foregoing statements, Franchisee must provide Franchisor with written reports regarding any authorized change to: (i) the listing of all owners and other holders of any type of interest (legal or beneficial) in Franchisee or the Franchised Business; and (ii) Franchisee's partners, officers, directors, as well as any Designated Manager that manage the day-to-day operations of the Franchised Business. Franchisee will notify Franchisor in writing within ten (10) days after any such change, unless Franchisor is required to first notify Franchisor and obtain its approval prior to making any such change.

K. **Payroll**. Franchisee acknowledges the Franchisor's stated best practice is to utilize a payroll service which will include as part of its service the impounding and payment of all employee withholding taxes payable to the Internal Revenue Service and state and local taxing authorities. Franchisee will be responsible for all charges related to the payroll service. In addition, upon Franchisor's request Franchisee must submit copies of all quarterly form 941s and all proofs of payment related thereto to Franchisor within ten (10) days of the date such forms and payments are submitted to pertinent governmental agencies.

L. **Minimum Operating Account Balance**. Once the Franchised Business has been open and operating for a period of six (6) months, Franchisee must maintain an average daily balance of $15,000 in the bank account that Franchisee designates for use in connection with the Franchised Business. Franchisor may request that Franchisee provide all information necessary to evidence that Franchisee is complying with this obligation, including without limitation, bank statements that have (a) been verified by the bank, and (b) signed and certified as accurate by Franchisee.

11. INSURANCE AND INDEMNIFICATION

A. **Required Insurance**. Franchisee shall, at its own expense and no later than the earlier of (a) the date on which Franchisee uses any of the Proprietary Marks, or (b) the date Franchisee begins building out the Premises, procure and maintain in full force and effect throughout the term of this Agreement the types of insurance enumerated in the Manuals or otherwise in writing (whether the Franchised Business is open or not). This insurance shall be in such amounts Franchisor or the lessor of the Premises designates from time to time. In addition to any other insurance that may be required by applicable law, or by lender or lessor, Franchisee shall procure:

1) Fire, extended coverage, vandalism, malicious mischief and special extended peril insurance at no less than the replacement value of the building (if owned), the contents, and improvements of the Restaurant;

2) workers' compensation and other insurance required by law;

3) commercial general liability insurance on an "occurrence" form covering all operations by or on behalf of you, providing insurance for bodily injury liability, property damage liability and personal injury liability for the limits of liability indicated below and included coverage for (a) premises and operations liability; (b) independent contractors protective liability; and (c) blanket contractual liability insuring the obligations assumed by you under the Franchise Agreement;

4) automobile liability insurance, including non-owned automobiles, with limits of liability not less than $1,000,000 combined single limit each accident for bodily injury and property damage combined;

5) fire legal liability, with a minimum coverage of $300,000, unless you own the Premises or have a cross-waiver of subrogation with Franchisee's landlord;

6) any insurance required by the terms of the lease (or mortgage) for the Restaurant; and

7) any other insurance Franchisor may require in the future.

The limit of liability required for the policies in (3) above are: (i) $1,000,000 each occurrence (combined single limit for bodily injury and property damage); (ii) $1,000,000 personal injury liability; (iii) $1,000,000 aggregate for products – completed operations; and (iv) $2,000,000 general aggregate. Except with respect to bodily injury and property damage included within the products and completed operations hazards, the aggregate limit must apply separately to each location if you operate at more than one location pursuant to multiple franchise agreements with us. Franchisee is also required to maintain an umbrella policy with a minimum of $1,000,000 of coverage, which must expressly provide coverage above the coverages listed above. Franchisor must be named as an additional insured on all your policies.

Franchisee must buy insurance only from carriers rated A-VIII or better by A.M. Best and Company, Inc. (or similar criteria as Franchisor periodically specifies), unless Franchisor designates specific carriers from which Franchisee must purchase coverage (in which case Franchisee may only purchase from the designated carrier(s)). Franchisor may periodically increase the amounts of coverage required under these insurance policies and/or require different or additional insurance coverage to reflect inflation, identification of new risks, changes in law or standards of liability, higher damage awards, changing economic conditions, or other relevant changes in circumstances. All insurance policies Franchisee purchases must name Franchisor and any affiliate Franchisor designate as additional insureds, and provide for thirty (30) days' prior written notice to Franchisor of a policy's material modification or cancellation. The cost of Franchisee's premiums will depend on the insurance carrier's charges, terms of payment, and Franchisee's insurance and payment histories. Franchisee shall make timely delivery of certificates of all required insurance to Franchisor, each of which shall contain a statement by the insurer that the policy will not be cancelled or materially altered without at least thirty (30) days' prior written notice to Franchisor. The procurement and maintenance of such insurance shall not relieve Franchisee of any liability to Franchisor under any indemnity requirement of this Agreement.

B. **Failure to Procure and Maintain Insurance**. If Franchisee fails for any reason to procure and maintain the required insurance coverage, Franchisor has the right and authority (without having any obligation to do so) to immediately procure such insurance coverage, in which case Franchisee must: reimburse Franchisor for the costs incurred to obtain the required insurance (including any premium amounts paid).

C. **Indemnification**. Franchisee, as a material part of the consideration to be rendered to Franchisor, agrees to indemnify, defend and hold Franchisor, as well as Franchisor's directors, officers, principals/owners, managers, shareholders, affiliates, subsidiaries, employees, servants, agents, successors and assignees (collectively, the "Indemnitees"), harmless from and against any and all losses, damage, claims, demands, liabilities and causes of actions of every kind or character and nature, as well as costs and expenses incident thereto (including reasonable attorneys' fees and court costs), that are brought against any of the Indemnitees (collectively, the "Claims") that arise out of or are otherwise related to Franchisee's ownership, construction, management, or operation of the Franchised Business in any manner. Notwithstanding the foregoing, at Franchisor's option, Franchisor may choose to engage counsel and defend against any such Claim and may require immediate reimbursement from the Franchisee of all expenses and fees incurred in connection with such defense.

12. INDEPENDENT CONTRACTOR

A. **No Fiduciary Relationship**. In all dealings with third parties, including without limitation, employees, suppliers, and customers, Franchisee shall disclose in an appropriate manner acceptable to Franchisor that it is an independent entity licensed by Franchisor. Nothing in this Agreement is intended by the parties hereto either to create a fiduciary relationship between them or to constitute the Franchisee an agent, legal representative, subsidiary, joint venture, partner, employee, or servant of Franchisor for any purpose whatsoever.

B. **Independent Contractor Relationship**. It is understood and agreed that Franchisee is an independent contractor and is in no way authorized to make any contract, agreement, warranty, or representation or to create any obligation on behalf of Franchisor. Upon Franchisor's request, Franchisee must display a sign in its Franchised Business displaying the following phrase (or something similar): "This Restaurant is independently owned and operated pursuant to a license agreement." Neither this Agreement nor Franchisor's course of conduct is intended, nor may anything in this Agreement (nor Franchisor's course of conduct) be construed to state or imply that Franchisor is the employer of Franchisee's employees and/or independent contractor.

13. TRANSFER AND ASSIGNMENT

A. **Franchisee Right to Transfer.** Franchisee's rights under this Agreement are personal, and Franchisee shall not sell, transfer, assign or encumber Franchisee's interest in this Agreement or the Franchised Business (or undertake any of the actions identified in Section 13(C) of this Agreement) without Franchisor's prior written consent. Any sale, transfer, assignment or encumbrance made without Franchisor's prior written consent shall be voidable at Franchisor's option and shall subject this Agreement to termination as specified herein.

B. **Death or Disability**.

1. In the event of Franchisee's death, disability or incapacitation (or the death, disability or incapacitation of Franchisee's principals/owners/guarantors), Franchisee's legal representative, or Franchisee's partner's or guarantor's respective legal representative, as applicable, will have the right to continue the operation of the Franchised Business as "Franchisee" under this Agreement if: (i) within ninety (90) days from the date of death, disability or incapacity (the "90 Day Period"), such person has obtained Franchisor's prior written approval and has executed Franchisor's then-current franchise agreement for the unexpired term of the franchise, or has furnished a personal guaranty of any partnership, corporate

or limited liability company Franchisee's obligations to Franchisor and Franchisor's affiliates; and (ii) such person successfully completes Franchisor's training program (which Franchisor will provide at Franchisor's then-current tuition rate). Such assignment by operation of law will not be deemed in violation of this Agreement, provided such heirs or legatees accept the conditions imposed by the Franchise Agreement and are acceptable to Franchisor.

2. Franchisor is under no obligation to operate the Franchised Business, or incur any obligation on behalf of any incapacitated franchisee, during or after the 90 Day Period. If necessary, Franchisee (or Franchisee's legal representative, as applicable) shall appoint a previously approved acting interim manager to operate the Franchised Business during the 90 Day Period. In the event of Franchisee's death, disability, absence or otherwise, Franchisor may (but is not required to) operate the Franchised Business on Franchisee's behalf and at Franchisee's expense for such period of time (and under such terms and conditions) as Franchisor determines, including paying out the assets and/or revenues of the Franchised Business to cover any or all past, current and/or future obligations of the Franchised Business (including any amounts owed to Franchisor and/or any affiliate) in such priorities as Franchisor determines in Franchisor's sole discretion. Franchisor may pay itself a reasonable amount to reimburse Franchisor for Franchisor's management services and other costs. Franchisor may obtain approval of a court or arbitrator for any such arrangements, the attorney's fees and other costs incurred in connection with obtaining such approval to be charged against the assets and/or revenues of the Franchised Business. Franchisee (and/or Franchisee's estate) will indemnify Franchisor against any costs and/or liabilities incurred by it in connection with, or related in any way to, the operation (or otherwise) of the Franchised Business.

3. Franchisor will not collect any transfer fee if there is a transfer under this Section 13(B) to an immediate family member of the Franchisee that Franchisor approves pursuant to Section 13(E).

C. **Ownership.** In addition to those acts described in Section 13(A), a transfer or assignment requiring Franchisor's prior written consent shall be deemed to occur: (i) if Franchisee is a corporation, upon any assignment, sale, pledge or transfer of any fractional portion of Franchisee's voting stock or any increase in the number of outstanding shares of Franchisee's voting stock which results in a change of ownership, (ii) if Franchisee is a partnership, upon the assignment, sale, pledge or transfer of any fractional partnership ownership interest; or (iii) if Franchisee is a limited liability company, upon the assignment, sale, pledge or transfer or any interest in the limited liability company. Any new partner, shareholder, or member or manager owning having an ownership interest in the surviving entity after the proposed transfer will be required to personally guarantee Franchisee's obligations under this Agreement. A transfer pursuant to (i) and (iii) above shall not be subject to Franchisor's right of first refusal as set forth in Section 13(D).

D. **Right of First Refusal.** If Franchisee proposes to transfer either this Agreement or all, or substantially all, of the assets used in connection with the Franchised Business or any interest in Franchisee's lease to any third party (other than a corporation or limited liability company as set forth in Section 13(C) hereof or in the event of Franchisee's death/disability as set forth in Section 13(B)), Franchisee shall first offer to sell such interest to Franchisor on the same terms and conditions as offered by such third party. Franchisee shall obtain from the third party and provide Franchisor a statement in writing, signed by the third party and Franchisee, of the terms of the offer ("Letter of Intent"). If Franchisor elects not to accept the offer within a thirty (30) day period, Franchisee shall have a period not to exceed sixty (60) days to complete the transfer described in the Letter of Intent subject to the conditions for approval set forth in Section 13(E) of this Agreement. Franchisee shall effect no other sale or transfer as contemplated under the Letter of Intent without first complying with this Section. Any material change in the terms of the offer will be deemed a new proposal subject to Franchisor's right of first refusal. So long as Franchisee has obtained Franchisor's prior written consent, which shall not be unreasonably withheld, a transfer to an existing partner or shareholder, or a transfer as a result of the death, disability or incapacitation of a shareholder or partner, in accordance with the provisions set forth below, is not subject to Franchisor's first right of refusal.

E. **Conditions for Approval.** Franchisor may condition Franchisor's approval of any proposed sale or transfer of the Franchised Business or of Franchisee's interest in this Agreement or any other acts of transfer described in Section 13(C) upon satisfaction of the following occurrences:

1. All of Franchisee's accrued monetary obligations to Franchisor, Franchisor's affiliates, and Franchisor's designated/approved suppliers and vendors, are satisfied;

2. Franchisee must cure all existing defaults under this Agreement, or any other agreement between Franchisee and Franchisor, Franchisor's affiliates, Franchisor's designated/approved suppliers and vendors, within the period permitted for cure and have substantially complied with such agreements during their respective terms;

3. Franchisee and Franchisee's principals (if Franchisee is a partnership, corporation or limited liability company), and the transferee (if it has had any previous relationship with Franchisor or Franchisor's affiliates), must execute a general release under seal, in a form satisfactory to Franchisor, of any and all claims against Franchisor and Franchisor's affiliates and officers, directors, shareholders and employees, in their corporate and individual capacities;

4. Franchisee or transferee shall provide Franchisor a copy of the executed purchase agreement relating to the proposed transfer with all supporting documents and schedules, including transferee's assumption of and agreement to faithfully perform all of Franchisee's obligations under this Agreement;

5. The transferee shall demonstrate to Franchisor's satisfaction that he or she meets Franchisor's educational, managerial and business standards; possesses a good moral character, business reputation and credit rating; has the aptitude and ability to conduct the business to be transferred; and has adequate financial resources and capital to meet the performance obligations under this Agreement; however, transferee shall not be in the same business as Franchisor either as licensor, franchisor, independent operator or licensee of any other business or chain which is similar in nature or in competition with Franchisor, except that the transferee may be an existing franchisee of ours;

6. The transferee shall execute Franchisor's then-current franchise agreement (which may contain materially different terms than this Agreement) for the remaining

balance of Franchisee's term under this Agreement, assuming all of Franchisee's obligations under this Agreement, with transferee's term commencing on the date the transferee executes the then-current franchise agreement;

7. Franchisee or transferee shall pay Franchisor a transfer fee equal to Ten Thousand Dollars ($10,000).

8. The transferee shall satisfactorily complete Franchisor's Initial Training Program at the transferee's expense within the time frame Franchisor sets forth, and pay Franchisor then-current initial training fee for transferee and one other person to attend training (the transferee will also be responsible for all costs and expenses associated with attending the initial training program);

9. Franchisee (and Franchisee's principals/guarantors if Franchisee is a partnership, corporation or limited liability company) must comply with the post-termination provisions of this Agreement;

10. The transferee must demonstrate that is has obtained or maintained, within the time limits set by Franchisor, all permits and licenses required for the continued operation of the Franchised Business;

11. To the extent required by the terms of any leases or other agreements, the lessors or other parties must have consented to the proposed transfer;

12. The transfer must be made in compliance with any laws that apply to the transfer, including state and federal laws governing the offer and sale of franchises;

13. The purchase price and terms of the proposed transfer must not be so burdensome to the prospective transferee as to impair or materially threaten its future operation of the Franchised Business and performance under its franchise agreement;

14. Franchisee must request that Franchisor provide the prospective transferee with Franchisor's current form of disclosure document and Franchisor shall not be liable for any representations not included in the disclosure document; and

15. Franchisor shall have the right to disclose to any prospective transferee such revenue reports and other financial information concerning Franchisee and Franchised Business as Franchisee has supplied Franchisor hereunder.

Franchisor will not unreasonably withhold its consent to a proposed transfer or assignment requested by Franchisee, provided the foregoing conditions are met. Franchisor's approval of a transfer shall not operate as a release of any liability of the transferring party nor shall such approval constitute a waiver of any claims Franchisor may have against the transferring party. Furthermore, Franchisor agrees that Franchisee will not be required to pay any transfer fee in the event: (i) Franchisee wishes to transfer its rights under the Franchise Agreement to a newly-established legal business entity that is wholly owned by Franchisee and established solely for purposes of operating the Franchised Business under the Franchise Agreement; or (ii) Franchisee is required to encumber certain assets of the Franchised Business (or subordinate Franchisor's security interest thereto) in order to receive SBA or other traditional bank financing, provided Franchisor otherwise approves of the transfer.

F. **Transfer from an Individual Franchisee to Business Entity**. If Franchisee is an individual and desires to assign its rights under this Agreement to a corporation or limited liability company, and if all of the following conditions are met, Franchisor will consent to the transfer without assessing the transfer fee or training tuition fees set forth in Section 13(E)(7)-(8), and such assignment will not be subject to Franchisor's right of first refusal in Section 13(D): (i) the corporation or limited liability company is newly organized and its activities are confined to operating the Franchised Business; (ii) Franchisee is, and at all times remains, the owner of 51% or more of the outstanding shares of the corporation or a controlling interest in the limited liability company; (iii) the corporation or limited liability company agrees in writing to assume all of Franchisee's obligations hereunder; and (iv) all stockholders of the corporation, or members and managers of the limited liability company, as applicable, personally guarantee prompt payment and performance by the corporation or limited liability company of all its obligations to Franchisor and Franchisor's affiliates, under this Agreement and any other agreement between Franchisee and Franchisor and/or Franchisor's affiliates, and execute the Personal Guaranty attached to this Agreement as Exhibit B.

G. **Franchisor's Right to Transfer**. Franchisor has the right to sell, transfer, assign and/or encumber all or any part of Franchisor's assets and Franchisor's interest in, and rights and obligations under, this Agreement in Franchisor's sole discretion.

14. COVENANTS

Franchisee acknowledges that, as a participant in Franchisor's System, Franchisee will receive proprietary and confidential information and materials, trade secrets, and the unique methods, procedures and techniques that Franchisor has developed. As such, Franchisee agrees to the covenants in this Section to protect Franchisor, the System, Proprietary Marks and Franchisor's other franchisees.

A. **During the Term of this Agreement.** During the term of this Agreement, neither Franchisee, its principals, owners, guarantors or Designated Manager(s), nor any immediate family of Franchisee, its principals, owners, guarantors or Designated Manager(s), may, directly or indirectly, for themselves or through, on behalf of, or in conjunction with any other person, partnership or corporation:

1. Own, maintain, engage in, be employed or serve as an officer, director, or principal of, lease space to, lend money or extend credit to, or have any other interest in or involvement with: (i) any other restaurant or business that offers the same or substantially similar food products (each, a "Competing Business"); or (ii) offers or grants licenses or franchises, or establishes joint ventures, for the ownership or operation of a Competing Business. For purposes of this Agreement, a Competing Business does not include the following: any business operated by Franchisee under a Franchise Agreement with Franchisor; or any business operated by a publicly-traded entity in which Franchisee owns less than two percent (2%) legal or beneficial interest;

2. Employ or seek to employ any person who is at that time employed by Franchisor, Franchisor's affiliates or any other System franchisee, or otherwise directly or indirectly induce or seek to induce such person to leave his or her employment thereat; or

3. Divert, or attempt to divert, any prospective customer to a Competing Business in any manner.

B. **After the Term of this Agreement.**

1. For a period of two (2) years after the expiration and nonrenewal, transfer or termination of this Agreement, regardless of the cause, neither Franchisee, its principals, owners and guarantors, nor any member of the immediate family of Franchisee, its principals, owners or guarantors, may, directly or indirectly, for themselves or through, on behalf of, or in conjunction with any other person, partnership or corporation, be involved with any business that competes in whole or in part with Franchisor by offering or granting licenses or franchises, or establishing joint ventures, for the ownership or operation of a Competing Business. The geographic scope of the covenant contained in this Section is any location where Franchisor can demonstrate it has offered or sold franchises as of the date this Agreement is terminated or expires.

2. For a period of two (2) years after the expiration and nonrenewal, transfer or termination of this Agreement or assignment of this Agreement by Franchisee, regardless of the cause, neither Franchisee, its principals, owners and guarantors, nor any immediate family member of Franchisee, its principals, owners or guarantors, may, directly or indirectly, for themselves or through, on behalf of, or in conjunction with any other person, partnership or corporation:

a. Own, maintain, engage in, be employed as an officer, director, or principal of, lend money to, extend credit to, or otherwise have any interest in or involvement with any other Competing Business: (i) within the Designated Territory; or (ii) within a five (5) mile radius of (a) the perimeter of the Designated Territory, (b) any other Restaurant (whether franchised or company-owned) that is open or under development as of the date this Agreement is terminated or expires (or as of the date Franchisee assigns this Agreement), or (c) any other development area territory granted by Franchisor to open Restaurants under the Marks as of the date this Agreement expires or is terminated; or

b. To the extent permitted by and subject to applicable law, solicit business from customers of Franchisee's former Franchised Business or contact any of Franchisor's suppliers or vendors for any competitive business purpose, nor solicit any of Franchisor's other employees, or the employees of Franchisor's affiliates or any other System franchisee to discontinue employment.

C. **Intent and Enforcement**. It is the parties' intent that the provisions of this Section 14 be judicially enforced to the fullest extent permissible under applicable law. Accordingly, the parties agree that any reduction in scope or modification of any part of the noncompetition provisions contained herein shall not render any other part unenforceable. In the event of the actual or threatened breach of this Section 14 by Franchisee, any of Franchisee's principals, or any member of the immediate family of Franchisee or Franchisee's principals, Franchisor shall be entitled to an injunction restraining such person from any such actual or threatened breach. Franchisee acknowledges that the covenants contained herein are necessary to protect the goodwill of the Franchised Business, other System franchisees, and the System. Franchisee further acknowledges that covenants contained in this Section 14 are necessary to protect Franchisor's procedures and know-how transmitted during the term of this Agreement. Franchisee agrees that in the event of the actual or threatened breach of this Section 14, Franchisor's harm will be irreparable and that Franchisor has no adequate remedy at law to prevent such harm. Franchisee acknowledges and agrees on Franchisee's own behalf and on behalf of the persons who are liable under this Section 14 that each has previously worked or been gainfully employed in other careers and that the provisions of this Section 14 in no way prevent any such person from earning a living. Franchisee further acknowledges and agrees that the time limitation of this Section 14 shall be tolled during any default under this Section 14.

D. **Confidentiality and Non-Competition Agreement**. Franchisee must ensure that all management personnel of the Franchised Business, as well as any officers and directors of Franchisee, execute Franchisor's then-current form of Confidentiality and Non-Competition Agreement (which will be in substantially the same form as the document attached to this Agreement as Exhibit E). Franchisee must furnish Franchisor a copy of each executed agreement.

E. **No Defense**. Franchisee hereby agrees that the existence of any claim Franchisee may have against Franchisor, whether or not arising from this Agreement, shall not constitute a defense to Franchisor's enforcement of the covenants contained in this Section 14. Franchisee agrees to pay all costs and expenses (including reasonable attorneys' fees) that Franchisor incurs in connection with the enforcement of this Section 14.

15. DEFAULT AND TERMINATION

Franchisor may terminate this Agreement as described in this Section, and Franchisee agrees and acknowledges that the defaults, or failure to cure such defaults within the appropriate time period prescribed below (if any), shall constitute "good cause" and "reasonable cause" for termination under any state franchise laws or regulations that might apply to the operation of the Franchised Business.

A. **Automatic Termination**. This Agreement will automatically terminate without notice or an opportunity to cure upon the occurrence of any of the following:

1. The Franchisee becomes insolvent or makes a general assignment for the benefit of creditors, unless otherwise prohibited by law;

2. A petition in bankruptcy is filed by Franchisee or such a petition is filed against and consented to by Franchisee and not dismissed within thirty (30) days;

3. A bill in equity or other proceeding for the appointment of a receiver of Franchisee or other custodian in connection with the Franchisee or Franchised Business (or assets of the Franchised Business) is filed and consented to by Franchisee;

4. A receiver or other custodian (permanent or temporary) of Franchisee's assets or property, or any part thereof, is appointed;

5. A final judgment in excess of Ten Thousand Dollars ($10,000.00) against Franchisee remains unsatisfied or of record for sixty (60) days or longer (unless a bond is filed or other steps are taken to effectively stay enforcement of such

judgment in the relevant jurisdiction), except that Franchisor may provide Franchisee with additional time to satisfy the judgment if Franchisee demonstrates that it is using commercially reasonable efforts to resolve the issues related to the judgment; or

6. Franchisee attempts to sell, transfer, encumber or otherwise dispose of any interest in Franchisee, this Agreement or the Franchised Business in violation of Section 13 hereof.

B. **Termination upon Notice**. Franchisor has the right to terminate this Agreement upon notice to Franchisee without providing Franchisee any opportunity to cure with respect to any of the following breaches or defaults:

1. If Franchisee or Franchisee's owners/principals commit any fraud or misrepresentation in the establishment or operation of the Franchised Business, including without limitation, any misrepresentation made in Franchisee's franchise application;

2. If Franchisee and any other required attendees fail to attend and complete the Initial Training Program within the time period prescribed in this Agreement;

3. If Franchisee receives from Franchisor three (3) or more notices to cure any defaults or violations under Section 15(C) of this Agreement during any twenty four (24) month period, or two (2) or more such notices during any twelve (12) month period, whether or not these breaches were timely cured;

4. If Franchisee or Franchisee's owners/principals violate any of the in-term covenant not to compete or any of the other restrictive covenants set forth in Section 14 of this Agreement;

5. If Franchisee misuses the Proprietary Marks or Confidential Information in any manner, or otherwise violates any provision of this Agreement related to the use of the Proprietary Marks, Confidential Information and any other confidential materials provided by Franchisor (including those provisions related to non-disclosure of the Manuals and other confidential materials that Franchisor loans to Franchisee);

6. If Franchisee misuses any proprietary software that Franchisor designates for use in connection with the Franchised Business;

7. If Franchisee or any of Franchisee's principals default on any other agreement with Franchisor or any affiliate or Approved Supplier of Franchisor, and such default is not cured within the prescribed time period set forth in that other agreement;

8. If Franchisee defaults under the lease for the Premises and does not cure within the prescribed period of time thereunder, or if Franchisee otherwise loses its right to possess and control the Premises to operate the Franchised Business at any time during the term of this Agreement (except in cases of *force majeure* and cases where Franchisor has previously approved Franchisee's relocation request and Franchisee timely relocates);

9. If Franchisee fails to open and commence operations of the Franchised Business within the time period prescribed in Section 6 of this Agreement;

10. If Franchisee fails to cure any of the following violations under this Agreement within ten (10) days of being notified by Franchisor: (i) failure to offer only those Approved Products and Services that Franchisor authorizes at the Franchised Business; (ii) any purchase of any non-approved item or service for use in connection with the Franchised Business; or (iii) failure to purchase any Required Item that Franchisor designates as necessary for the establishment or operation of the Franchised Business from the appropriate Approved Supplier(s) that Franchisor designates;

11. If Franchisee voluntarily or otherwise abandons the Franchised Business. For purposes of this Agreement, the term "abandon" means: (i) failure to actively operate the Franchised Business for more than three (3) business days without Franchisor's prior written consent; or (ii) any other conduct on the part of Franchisee or its principals that Franchisor determines indicates a desire or intent to discontinue operating the Franchised Business in accordance with this Agreement or the Manuals;

12. If Franchisee fails to provide Franchisor with access to Franchisee's POS system, Computer System, security system, or registers located at the Franchised Business as required under this Agreement, and fails to remedy this default within three (3) business days of being notified by Franchisor;

13. If Franchisee fails to pay Franchisor, its affiliates or any of its Approved Suppliers any amount that is due and owing Franchisor within ten (10) days of the date that Franchisor (or other party owed the money) notifies Franchisee of the outstanding amount that is due and owed;

14. If Franchisee fails, for a period of fifteen (15) days after notification of non-compliance by appropriate authority, to comply with any law or regulation applicable to the operation of the Franchised Business;

15. If Franchisee fails, for a period of ten (10) days after notification of non-compliance, to obtain any other licenses, certificates, permits or approvals necessary to operate the Franchised Business at the Premises;

16. If Franchisee, any person controlling, controlled by, or under common control with the Franchisee, any principal officer or employee of Franchisee, or any person owning an interest in Franchise is convicted of a felony or any other crime or offense (even if not a crime) that is reasonably likely in the sole opinion of Franchisor to adversely affect the System, any System unit, the Proprietary Marks, or the goodwill associated therewith;

17. If Franchisee takes for Franchisee's own personal use any assets or property of the Franchised Business, including inventory, employee taxes, FICA, insurance or benefits;

18. If there are insufficient funds in Franchisee's EFT Account to cover a check or EFT payment due to Franchisor or its affiliates under this Agreement three (3) or more times within any twelve (12) month period; or

19. If Franchisee commits repeated violations of any health, zoning, sanitation, or other regulatory law, standard, or practice; operates the business in a manner that presents a health or safety hazard to its employees or customers; or if Franchisee loses its approval from any city, state, or other regulatory agency to operate a business that provides restaurant services or offers food.

C. **Termination upon Notice and 30 Day Cure Period**. Except for those defaults set forth in Sections 15(A)-(B) of this Agreement, Franchisor may terminate this Agreement upon notice to Franchisee in the event Franchisee: (i) breaches or violates any other covenant, obligation, term, condition, warranty, or certification under this Agreement, including Franchisee's failure to comply with any of Franchisor's other System standards and specifications in the operation of the Franchised Business as set forth in the Manuals; and (ii) fails to cure such breach or violation within thirty (30) days of the date Franchisee is provided with notice thereof by Franchisor.

D. **Step-In Rights**. In addition to Franchisor's right to terminate this Agreement, and not in lieu of such right or any other rights hereunder, if this Agreement is subject to termination due to Franchisee's failure to cure any default within the applicable time period (if any), then Franchisor has the right, but not the obligations, to enter the Premises and exercise complete authority with respect to the operation of the Franchised Business until such time that Franchisor determines, in its reasonable discretion, that the default(s) at issue have been cured and that Franchisee is otherwise in compliance with the terms of this Agreement. In the event Franchisor exercises these "step-in rights," Franchisee must reimburse Franchisor for all reasonable costs and overhead that Franchisor incurs in connection with its operation of the Franchised Business, including without limitation, costs of personnel supervising and staffing the Franchised Business and any travel, lodging and meal expenses. Additionally, Franchisor will be entitled to a management fee amounting to Three Hundred and Fifty Dollars ($350) per day (plus other costs and expenses). If Franchisor undertakes to operate the Franchised Business pursuant to this Section, Franchisee must indemnify, defend and hold Franchisor (and its representatives and employees) harmless from and against any Claims that may arise out of Franchisor's operation of the Franchised Business.

16. POST-TERM OBLIGATIONS

Upon the expiration or termination of this Agreement, Franchisee shall immediately:

A. **Cease Operation of Franchised Business and Affiliation with Franchisor**. Cease to be a franchise owner of Franchised Business under this Agreement and cease to operate the former Franchised Business under the System. Franchisee shall not thereafter directly or indirectly represent to the public that the former Franchised Business is or was operated or in any way connected with the System or hold itself out as a present or former franchise owner of Franchise at or with respect to the Premises;

B. **Return Manuals and Confidential Information**. Return to Franchisor the Manuals and all trade secrets, Confidential Information (including customer lists and information) and other confidential materials, equipment, software and property owned by Franchisor and all copies thereof. Franchisee shall retain no copy or record of any of the foregoing; provided, however, that Franchisee may retain its copy of this Agreement, any correspondence between the parties, and any other document which Franchisee reasonably needs for compliance with any applicable provision of law;

C. **Assignment of Customer Contracts, Telephone/Facsimile Numbers and Domain Names**. Take such action as may that Franchisor designates to: (i) provide and assign to Franchisor the then-current and up-to-date customer list and any membership contracts to Franchisor; and (ii) transfer, disconnect, forward, or assign all telephone/facsimile numbers and domain names used in connection with the Franchised Business, as well as any white and yellow page telephone references, advertisements, and all trade and similar name registrations and business licenses to Franchisor or its designee and cancel any interest which Franchisee may have in the same (as Franchisor directs in its sole discretion). Franchisee agrees to execute all documents necessary to comply with the obligations of this Section, including the form Conditional Assignment of Telephone/Facsimile Numbers and Domain Names attached to this Agreement as Exhibit F;

D. **Cease using Proprietary Marks**. Cease to use in advertising or in any manner whatsoever any methods, procedures, or techniques associated with the System in which Franchisor has a proprietary right, title, or interest; cease to use the Proprietary Marks and any other marks and indicia of operation associated with the System; and remove all trade dress, physical characteristics, color combinations, and other indications of operation under the System from the Premises. Without limiting the generality of the foregoing, Franchisee agrees that, in the event of any termination or expiration and non-renewal of this Agreement, it will remove all signage bearing the Proprietary Marks, deliver the fascia for such signs to Franchisor upon Franchisor's request, and remove any items that are characteristic of the System “trade dress” from the Premises. Franchisee agrees that Franchisor or a designated agent may enter upon the Premises at any time to make such changes at Franchisee's sole risk and expense and without liability for trespass. Upon Franchisor’s request, Franchisee must provide all materials bearing the Proprietary Marks to Franchisor upon expiration or termination of this Agreement for any reason, without cost to Franchisor;

E. **Compliance with Post-Term Covenants**. Comply with the post-term covenants not to compete and other restrictive covenants set forth in Section 14 of this Agreement;

F. **Written Evidence of Compliance**. Provide Franchisor with written evidence that they have complied with the post-term obligations, within thirty (30) days’ notice of termination or scheduled expiration of the franchise; and

G. **Payment of Outstanding Amount**. Pay Franchisor all amounts owed to Franchisor under the terms of this Agreement.

H. **Purchase of Assets**. Franchisor shall have the option, but not the obligation, within thirty (30) days after the date of termination, expiration, and non-renewal of this Agreement to purchase any and all of Franchisee’s assets from the Franchised Business at a purchase price equal to net depreciated book value. If Franchisor elects this option, Franchisor will deliver written notice to Franchisee. Franchisor will have the right to inspect equipment at any time during this thirty (30) day period. If Franchisor elects to purchase equipment as part of the asset purchase, Franchisor will be entitled to, and Franchisee must provide, all customary warranties and representations as to compliance with law, the maintenance, function, and condition of the equipment and Franchisee's good title to the equipment (including, but not limited to, that Franchisee owns the equipment free and clear of any liens and encumbrances).

17. TAXES AND INDEBTEDNESS

A. **Taxes**. Franchisee must promptly pay when due any and all federal, state, and local taxes, including without limitation, unemployment, workers' compensation, and sales taxes which are levied or assessed with respect to any services or products furnished, used, or licensed pursuant to this Agreement and all accounts or other indebtedness of every kind incurred by Franchisee in the operation of the Franchised Business.

B. **Debts and Obligations**. Franchisee hereby expressly covenants and agrees to accept full and sole responsibility for any and all debts and obligations incurred in the operation of the Franchised Business.

18. WRITTEN APPROVALS; WAIVERS; FORMS OF AGREEMENT; AMENDMENT

A. **Franchisor's Approval**. Whenever this Agreement requires or Franchisee desires to obtain Franchisor's approval, Franchisee shall make a timely written request. Unless a different period is specified in this Agreement, Franchisor shall respond with its approval or disapproval within fifteen (15) days of receipt of such request. If Franchisor has not specifically approved a request within such fifteen (15) day period, such failure to respond shall be deemed as a disapproval of any such request.

B. **No Waiver**. No failure of Franchisor to exercise any power reserved to it by this Agreement and no custom or practice of the parties at variance with the terms hereof shall constitute a waiver of Franchisor's right to demand exact compliance with any of the terms herein. No waiver or approval by Franchisor of any particular breach or default by Franchisee; no delay, forbearance, or omission by Franchisor to act or give notice of default or to exercise any power or right arising by reason of such default hereunder; and no acceptance by Franchisor of any payments due hereunder shall be considered a waiver or approval by Franchisor of any preceding or subsequent breach or default by Franchisee of any term, covenant, or condition of this Agreement.

C. **Terms of Other Franchise Agreements**. No warranty or representation is made by the Franchisor that all PORT OF PERI PERI franchise agreements heretofore or hereafter issued by Franchisor do or will contain terms substantially similar to those contained in this Agreement. Further, Franchisee recognizes and agrees that Franchisor may, in its reasonable business judgment due to local business conditions or otherwise, waive or modify comparable provisions of other franchise agreements heretofore or hereafter granted to other System franchise owners in a non-uniform manner.

D. **Modification of System and Manuals**. Except as provided in Section 22 and Franchisor's right to unilaterally modify the System and Manuals, no amendment, change, or variance from this Agreement shall be binding upon either Franchisor or Franchisee unless set forth in writing and signed by both parties.

E. **No Disclaimers of Franchise Disclosure Document**. Nothing in this Agreement or in any related agreement is intended to disclaim the representations we made in the franchise disclosure document.

19. ENFORCEMENT

A. **Full Access to Premises for Inspection**. In order to ensure compliance with this Agreement and enable Franchisor to carry out its obligation under this Agreement, Franchisee agrees that Franchisor and its designated agents shall be permitted, with or without notice, full and complete access during business hours to inspect the Premises and all records thereof, including but not limited to, records relating to Franchisee's customers, suppliers, employees, and agents. Franchisee shall cooperate fully with the Franchisor and its designated agents requesting such access.

B. **Injunctive Relief**. The Franchisor or its designee shall be entitled to obtain without bond, declarations, temporary and permanent injunctions, and orders of specific performance in order to enforce the provisions of this Agreement relating to Franchisee's use of the Proprietary Marks, the obligations of Franchisee upon termination or expiration of this Agreement, and assignment of the franchise and ownership interests in Franchisee or in order to prohibit any act or omission by Franchisee or its employees which constitutes a violation of any applicable law or regulation, which is dishonest or misleading to prospective or current customers of businesses operated under the System, which constitutes a danger to other franchise owners, employees, customers, or the public or which may impair the goodwill associated with the Proprietary Marks.

C. **No Withholding of Payments**. Franchisee agrees and acknowledges that it may not withhold payments or amounts of any kind due to Franchisor on the premise of alleged nonperformance by Franchisor of any of its obligations hereunder.

D. **Costs and Attorneys' Fees**. If Franchisee is in breach or default of any monetary or non-monetary obligation under this Agreement or any related agreement between Franchisee and Franchisor and/or Franchisor's affiliates, and Franchisor engages an attorney to enforce Franchisor's rights (whether or not formal judicial proceedings are initiated), Franchisee must reimburse Franchisor for all costs/expenses incurred in connection with enforcing its rights under this Agreement including all reasonable attorneys' fees, court costs and litigation expenses. If Franchisee institutes any legal action to interpret or enforce the terms of this Agreement, and Franchisee's claim in such action is denied or the action is dismissed, Franchisor is entitled to recover Franchisor's reasonable attorneys' fees, and all other reasonable costs and expenses incurred in defending against same, and to have such an amount awarded as part of the judgment in the proceeding.

20. NOTICES

Any notice required to be given hereunder shall be in writing and shall be either mailed by certified mail, return receipt requested, or delivered by a recognized courier service, receipt acknowledged. Notices must be provided to each party at the respective addresses set forth below:

To Franchisor: PERI PERI HOLDINGS LLC
Attn: Syed Naveed Pasha
100 East Roosevelt Road
Villa Park, IL 60181

With a copy to: Lane Fisher, Esq.

Fisher Zucker, LLC
21 South 21st Street
Philadelphia, PA 19103

To Franchisee: ______________________________

____

____

Any notice complying with the provisions hereof will be deemed delivered at the earlier of: (i) three (3) days after mailing; or (ii) the actual date of delivery or receipt (as evidenced by the courier). Each party shall have the right to designate any other address for such notices by providing the other party(ies) with written notice thereof at the addresses above, and in such event, all notices to be mailed after receipt of such notice shall be sent to such other address.

21. GOVERNING LAW AND DISPUTE RESOLUTION

A. **Governing Law**. This Agreement shall be governed by and construed in accordance with the laws of the State of Illinois, without reference to this state's conflict of laws principles.

B. **Internal Dispute Resolution**. Franchisee must first bring any claim or dispute between Franchisee and Franchisor to Franchisor's management, after providing notice as set forth in Section 21(G) of this Agreement, and make every effort to resolve the dispute internally. Franchisee must exhaust this internal dispute resolution procedure before Franchisee may bring Franchisee's dispute before a third party. This agreement to first attempt resolution of disputes internally shall survive termination or expiration of this Agreement.

C. **Mediation**. At Franchisor's option, all claims or disputes between Franchisee and Franchisor (or its affiliates) arising out of, or in any way relating to, this Agreement or any other agreement by and between Franchisee and Franchisor (or its affiliates), or any of the parties' respective rights and obligations arising from such agreement, which are not first resolved through the internal dispute resolution procedure sent forth in Section 21(B) above, will be submitted first to mediation to take place at Franchisor's principal offices in Illinois under the auspices of the American Arbitration Association ("AAA"), in accordance with AAA's Commercial Mediation Rules then in effect. Before commencing any legal action against Franchisor or its affiliates with respect to any such claim or dispute, Franchisee must submit a notice to Franchisor, which specifies, in detail, the precise nature and grounds of such claim or dispute. Franchisor will have a period of thirty (30) days following receipt of such notice within which to notify Franchisee as to whether Franchisor or its affiliates elects to exercise its option to submit such claim or dispute to mediation. Franchisee may not commence any action against Franchisor or its affiliates with respect to any such claim or dispute in any court unless Franchisor fails to exercise its option to submit such claim or dispute to mediation, or such mediation proceedings have been terminated either: (i) as the result of a written declaration of the mediator(s) that further mediation efforts are not worthwhile; or (ii) as a result of a written declaration by Franchisor. Franchisor's rights to mediation, as set forth herein, may be specifically enforced by Franchisor. Each party will bear its own cost of mediation and Franchisor and Franchisee will share mediator fees equally. This agreement to mediate will survive any termination or expiration of this Agreement. The parties will not be required to first attempt to mediate a controversy, dispute, or claim through mediation as set forth in this Section

21(C) if such controversy, dispute, or claim concerns an allegation that a party has violated (or threatens to violate, or poses an imminent risk of violating): (i) any federally protected intellectual property rights in the Proprietary Marks, the System, or in any Confidential Information or other confidential information; (ii) any of the restrictive covenants contained in this Agreement; and (iii) any of Franchisee's payment obligations under this Agreement.

D. **Injunctive Relief**. Franchisee acknowledges and agrees that irreparable harm could be caused to Franchisor by Franchisee's violation of certain provisions of this Agreement and, as such, in addition to any other relief available at law or equity, Franchisor shall be entitled to obtain in any court of competent jurisdiction, without bond, restraining orders or temporary or permanent injunctions in order to enforce, among other items, the provisions of this Agreement relating to: (i) Franchisee's use of the Proprietary Marks and Confidential Information (including any proprietary software used in connection with the Franchised Business); (ii) the in-term covenant not to compete, as well as any other violations of the restrictive covenants set forth in this Agreement; (iii) Franchisee's obligations on termination or expiration of this Agreement; (iv) disputes and controversies based on or arising under the Lanham Act, or otherwise involving the Proprietary Marks, as now or hereafter amended; (v) disputes and controversies involving enforcement of the Franchisor's rights with respect to confidentiality under this Agreement; and (vi) to prohibit any act or omission by Franchisee or its employees that constitutes a violation of applicable law, threatens Franchisor's franchise system or threatens other franchisees of Franchisor. Franchisee's only remedy if such an injunction is entered will be the dissolution of the injunction, if appropriate, and Franchisee waives all damage claims if the injunction is wrongfully issued.

E. **Venue**. Subject to Section 21(C) of this Agreement, the parties agree that any actions arising out of or related to this Agreement must be initiated and litigated to conclusion exclusively in the state court of general jurisdiction closest to Villa Park, Illinois, or, if appropriate, the United States District Court for the Northern District of Illinois (Eastern Division) (unless settled by the parties after such action is initiated). Franchisee acknowledges that this Agreement has been entered into in the State of Illinois, and that Franchisee is to receive valuable and continuing services emanating from Franchisor's headquarters in Illinois, including but not limited to training, assistance, support and the development of the System. In recognition of such services and their origin, Franchisee hereby irrevocably consents to the personal jurisdiction of the state and federal courts of Illinois as set forth in this Section.

F. **Third Party Beneficiaries**. Franchisor's officers, directors, shareholders, agents and/or employees are express third party beneficiaries of the provisions of this Agreement, including the dispute resolution provisions set forth in this Section 21, each having authority to specifically enforce the right to mediate/arbitrate claims asserted against such person(s) by Franchisee.

G. **Notice Requirement**. As a condition precedent to commencing an action for damages or for violation or breach of this Agreement, Franchisee must notify Franchisor within sixty (60) days after the occurrence of the violation or breach, and failure to timely give such notice shall preclude any claim for damages.

H. **No Withholding of Payments**. Franchisee shall not withhold all or any part of any payment to Franchisor or any of its affiliates on the grounds of Franchisor's alleged nonperformance or as an offset against any amount Franchisor or any of Franchisor's affiliates allegedly may owe Franchisee under this Agreement or any related agreements.

I. **Limitation of Actions**. Franchisee further agrees that no cause of action arising out of or under this Agreement may be maintained by Franchisee against Franchisor unless brought before the expiration of one (1) year after the act, transaction or occurrence upon which such action is based or the expiration of one year after the Franchisee becomes aware of facts or circumstances reasonably indicating that Franchisee may have a claim against Franchisor hereunder, whichever occurs sooner, and that any action not brought within this period shall be barred as a claim, counterclaim, defense, or set-off. Franchisee hereby waives the right to obtain any remedy based on alleged fraud, misrepresentation, or deceit by Franchisor, including, without limitation, rescission of this Agreement, in any mediation, judicial, or other adjudicatory proceeding arising hereunder, except upon a ground expressly provided in this Agreement, or pursuant to any right expressly granted by any applicable statute expressly regulating the sale of franchises, or any regulation or rules promulgated thereunder.

J. **Waiver of Punitive Damages**. Franchisee hereby waives to the fullest extent permitted by law, any right to or claim for any punitive, exemplary, incidental, indirect, special or consequential damages (including, without limitation, lost profits) against Franchisor arising out of any cause whatsoever (whether such cause be based in contract, negligence, strict liability, other tort or otherwise) and agrees that in the event of a dispute, that Franchisee's recovery is limited to actual damages. If any other term of this Agreement is found or determined to be unconscionable or unenforceable for any reason, the foregoing provisions shall continue in full force and effect, including, without limitation, the waiver of any right to claim any consequential damages. Nothing in this Section or any other provision of this Agreement shall be construed to prevent Franchisor from claiming and obtaining expectation or consequential damages, including lost future royalties for the balance of the term of this Agreement if it is terminated due to Franchisee's default, which the parties agree and acknowledge Franchisor may claim under this Agreement.

K. **WAIVER OF JURY TRIAL**. THE PARTIES HEREBY AGREE TO WAIVE TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM, WHETHER AT LAW OR EQUITY, REGARDLESS OF WHICH PARTY BRINGS SUIT. THIS WAIVER SHALL APPLY TO ANY MATTER WHATSOEVER BETWEEN THE PARTIES HERETO WHICH ARISES OUT OF OR IS RELATED IN ANY WAY TO THIS AGREEMENT, THE PERFORMANCE OF EITHER PARTY, AND/OR FRANCHISEE'S PURCHASE FROM FRANCHISOR OF THE FRANCHISE AND/OR ANY GOODS OR SERVICES.

L. **WAIVER OF CLASS ACTIONS**. THE PARTIES AGREE THAT ALL PROCEEDINGS ARISING OUT OF OR RELATED TO THIS AGREEMENT, OR THE SALE OF THE FRANCHISED BUSINESS, WILL BE CONDUCTED ON AN INDIVIDUAL, NOT A CLASS-WIDE BASIS, AND THAT ANY PROCEEDING BETWEEN FRANCHISEE, FRANCHISEE'S GUARANTORS AND FRANCHISOR OR ITS AFFILIATES/OFFICERS/EMPLOYEES MAY NOT BE CONSOLIDATED WITH ANY OTHER PROCEEDING BETWEEN FRANCHISOR AND ANY OTHER THIRD PARTY.

22. SEVERABILITY AND CONSTRUCTION

A. Should any provision of this Agreement for any reason be held invalid, illegal, or unenforceable by a court of competent jurisdiction, such provision shall be deemed restricted in application to the extent required to render it valid, and the remainder of this Agreement shall in no way be affected and shall remain valid and enforceable for all purposes, both parties hereto declaring that they would have executed this Agreement without inclusion of such provision. In the event such total or partial invalidity or unenforceability of any provision of this Agreement exists only with respect to the laws of a particular jurisdiction, this paragraph shall operate upon such provision only to the extent that the laws of such jurisdiction are applicable to such provision. Each party agrees to execute and deliver to the other any further documents which may be reasonably required to make fully the provisions hereof. Franchisee understands and acknowledges that Franchisor shall have the right in its sole discretion on a temporary or permanent basis, to reduce the scope of any covenant or provision of this Agreement binding upon Franchisee without Franchisee's consent, effective immediately upon receipt by Franchisee of written notice thereof, and Franchisee agrees that it will comply forthwith with any covenant as so modified, which shall be fully enforceable.

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

C. The table of contents, headings, and captions contained herein are for the purposes of convenience and reference only and are not to be construed as a part of this Agreement. All terms and words used herein shall be construed to include the number and gender as the context of this Agreement may require. The parties agree that each Section of this Agreement shall be construed independently of any other Section or provision of this Agreement.

23. <u>ACKNOWLEDGMENTS</u>

A. Franchisee acknowledges that it received a complete copy of this Agreement for a period not less than fourteen (14) calendar days, during which time conducted an independent investigation of the business licensed hereunder to the extent of Franchisee's desire to do so. Franchisee recognizes and acknowledges that the business venture contemplated by this Agreement involves business risks, and that its success will be largely dependent upon the ability of the Franchisee as an independent businessperson. Franchisor expressly disclaims the making of, and Franchisee acknowledges that it has not received, any warranty or guarantee, express or implied, that Franchisee will be successful in this venture or that the business will attain any level of sales volume, profits, or success. Franchisee acknowledges that this Agreement, the franchise disclosure document ("FDD"), and the exhibits hereto constitutes the entire Agreement of the parties. This Agreement terminates and supersedes any prior agreement between the parties concerning the same subject matter.

B. Franchisee agrees and acknowledges that fulfillment of any and all of Franchisor's obligations written in this Agreement or based on any oral communications which may be ruled to be binding in a court of law shall be Franchisor's sole responsibility and none of Franchisor's agents, representatives, nor any individuals associated with Franchisor's franchise company shall be personally liable to Franchisee for any reason. This is an important part of this Agreement. Franchisee agrees that nothing that Franchisee believes Franchisee has been told by Franchisor or Franchisor's representatives shall be binding unless it is written in this Agreement. This is an important part of this Agreement. Do not sign this Agreement if there is any question concerning its contents or any representations made.

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement under seal on the date first written above.

FRANCHISOR:

PERI PERI HOLDINGS LLC

By: ___________________________________

Print Name: Syed Naveed Pasha

Title: President & CEO

Date: __________________________________

FRANCHISEE:

____

IF AN INDIVIDUAL:

By: _____________________________

Print Name: ______________________

Date: ____________________________

Spouse Signature: __________________

Spouse Name: ____________________

Date: ___________________________

IF A PARTNERSHIP, CORPORATION, OR OTHER ENTITY:

By: _____________________________

Print Name: ______________________

Title: ____________________________

Date: ____________________________

EXHIBIT A TO THE FRANCHISE AGREEMENT

DATA SHEET AND STATEMENT OF OWNERSHIP

1. SITE SELECTION AREA

Pursuant to Section 2(B) of the Franchise Agreement, Franchisee must locate and secure a Premises for the Franchised Business within the following Site Selection Area:

____
____
____

2. PREMISES

Pursuant to Section 2(C) of the Franchise Agreement, the Franchised Business shall be located at the following approved Premises:

____
____
____

3. DESIGNATED TERRITORY

Pursuant to Section 2(D) of the Franchise Agreement, Franchisee's Designated Territory will be defined as follows (if identified on a map, please attach map and reference attachment below):

____
____
____
____

4. Franchisee Contact Person. The following individual is a shareholder, member, or partner of Franchisee and is the principal person to be contacted on all matters relating to the Franchised Business:

Name: ______________________________________

Daytime Telephone No.: ______________________________________

Evening Telephone No.: ______________________________________

Cellular Telephone No.: ______________________________________

Facsimile No.: ______________________________________

E-mail Address: ______________________________________

5. Statement of Ownership. If Franchisee is a corporation, limited liability company, partnership or other business entity, the undersigned agree and acknowledge that the following is a complete list of all of the shareholders, members, or partners of Franchisee and the percentage interest of each individual:

Name	Position/Title	Interest (%)
________________________	_________________	__________
________________________	_________________	__________
________________________	_________________	__________
________________________	_________________	__________

THE PARTIES SIGNING THIS DATA SHEET BELOW AGREE AND ACKNOWLEDGE THAT THIS DATA SHEET, BY ITSELF, DOES NOT CONSTITUTE A FRANCHISE AGREEMENT OR OTHERWISE CONFER ANY FRANCHISE RIGHTS UPON FRANCHISEE. THIS DATA SHEET PROVIDES CERTAIN DEAL-SPECIFIC INFORMATION IN CONNECTION WITH THE FRANCHISE THAT IS GOVERNED BY THE FRANCHISE AGREEMENT TO WHICH THIS DATA SHEET IS AN EXHIBIT.

THE PARTIES AGREE AND ACKNOWLEDGE THAT THE FOREGOING FRANCHISE AGREEMENT MUST BE EXECUTED PRIOR TO OR CONTEMPORANEOUS WITH THIS DATA SHEET FOR ANY RIGHTS TO BE CONFERRED.

IN WITNESS WHEREOF, the undersigned has duly executed this Exhibit to the Franchise Agreement on this ____ day of __________, 20____.

FRANCHISEE

____

By: _______________________________

Name:_____________________________

Title:______________________________

FRANCHISOR

PERI PERI HOLDINGS LLC

By: __________________________________
Syed Naveed Pasha, President & CEO

EXHIBIT B TO THE FRANCHISE AGREEMENT

PERSONAL GUARANTY

NOTE: IF FRANCHISEE IS A CORPORATION, LIMITED LIABILITY COMPANY OR OTHER BUSINESS ENTITY, THEN EACH INDIVIDUAL/ENTITY WITH AN OWNERSHIP INTEREST IN FRANCHISEE (PRINCIPALS/MEMBERS/SHAREHOLDERS/MANAGERS/PARTNERS/ETC.) AND THEIR RESPECTIVE SPOUSES MUST EXECUTE THIS FORM OF PERSONAL GUARANTY. IF FRANCHISEE IS AN INDIVIDUAL AND FRANCHISEE'S SPOUSE HAS NOT SIGNED THE FRANCHISE AGREEMENT DIRECTLY, THEN FRANCHISEE'S SPOUSE MUST EXECUTE THIS FORM OF PERSONAL GUARANTY.

ARTICLE I
PERSONAL GUARANTY

The undersigned persons (individually and collectively "you") hereby represent to Peri Peri Holdings LLC, a Delaware limited liability company (the "Franchisor") that you are all the owners/principals/members/shareholders/managers/partners, as applicable, of the business entity named ________________________________ (the "Franchisee"), as well as their respective spouses, as of the date this Personal Guaranty (the "Personal Guaranty" or "Guaranty") is executed.

In consideration of the grant by Franchisor to the Franchisee as herein provided, each you hereby agree, in consideration of benefits received and to be received by each of you, jointly and severally, and for yourselves, your heirs, legal representatives and assigns, to be firmly bound by all of the terms, provisions and conditions of the franchise agreement entered into between Franchisee and Franchisor (the "Franchise Agreement"), as well as any other agreement between Franchisee and Franchisor and/or its affiliates, and do hereby unconditionally guarantee the full and timely performance by Franchisee of each and every obligation of Franchisee under the aforesaid Franchise Agreement or other agreement between Franchisor and Franchisee, including, without limitation: (i) any indebtedness of Franchisee arising under or by virtue of the aforesaid Franchise Agreement; (ii) the prohibition of any change in the percentage of Franchisee owned, directly or indirectly, by any person, without first obtaining the written consent of Franchisor prior to said proposed transfer as set forth in the Franchise Agreement; (iii) those obligations related to confidentiality, non-disclosure and indemnification; and (iv) the in-term and post-term covenants against competition, as well as all other restrictive covenants set forth in the Franchise Agreement.

ARTICLE II
CONFIDENTIALITY

During the initial and any renewal terms of the Franchise Agreement and this Guaranty, you will receive information, which Franchisor considers to be Confidential Information, trade secrets and/or confidential information, including without limitation: (i) site-selection criteria for a franchise restaurant operated utilizing Franchisor's proprietary marks (the "Proprietary Marks") and System (as defined below) (each, a "Restaurant"); (ii) methods, techniques and trade secrets for use in connection with the proprietary business operating system that Franchisor and its affiliates have developed (the "System") for the establishment and operation of a franchised business (hereafter, a "Franchised Business"); (iii) marketing research and promotional, marketing and advertising programs for the Franchised Business; (iv) knowledge of specification for and suppliers of, and methods of ordering, certain products, fixtures, furnishings, equipment and inventory used at the Franchised Business; (v) knowledge of the operating results and financial performance of other Restaurants; (vi) customer communication and retention programs, along with data used or generated in connection with those programs; (vii) Franchisor's proprietary Manuals and other instructional manuals, as well as any training materials and information Franchisor has developed for use in connection with the System; (viii) information regarding the development of Franchisor's proprietary marks (the "Proprietary Marks"); (ix) information generated by, or used or developed in, the Restaurant's operation, including customer names, addresses, telephone numbers and related information and any other information contained in the Franchised Business's computer system; (x) the design, build-out and any construction/remodeling plans for the interior and exterior of the Franchised Business; (xi) Franchisor's proprietary Operations Manual and other instructional manuals, as well as any training materials and information Franchisor has developed for use in connection with the System; and (xii) any other proprietary information or confidential information that is provided to Franchisee by Franchisor during the term of the Franchise Agreement (collectively, "Confidential Information"). You shall not, during the term of this Agreement or anytime thereafter, communicate, divulge, or use for the benefit of any other person, partnership, association, corporation, or limited liability company any Confidential Information and trade secrets, including, without limitation: Franchisor's copyrighted materials; price marketing mixes related to the offer and sale of restaurant products and other Approved Services and Products (as defined in the Franchise Agreement); standards and specifications for providing the Approved Services and Products and other merchandise or services offered or authorized for sale by System franchisees; methods, special recipes, ingredients, menu item preparation, and other techniques and know-how concerning the of operation of the Franchised Business, which may be communicated to you or of which you may become apprised by virtue of your role as a guarantor of the Franchisee's obligations under the Franchise Agreement. You also acknowledge and agree that the following also constitutes "Confidential Information" under this Section: (i) former, current and prospective customer information, including customer names and addresses, contracts/agreements (collectively "Customer Lists"), and (ii) sources and pricing matrices of any approved or designated suppliers; and (iii) any and all information, knowledge, know-how, techniques, and other data, which Franchisor designates as confidential.

ARTICLE III
<u>NON-COMPETITION</u>

You acknowledge that as a participant in the Franchisor's System, you will receive proprietary and confidential information and materials, trade secrets, and the unique methods, procedures and techniques which Franchisor has developed. Therefore, to protect Franchisor and all Franchisor's franchisees, you agree as follows:

1. **During the Term of the Franchise Agreement and this Guaranty.** During the term of the Franchise Agreement and this Personal Guaranty, each of the undersigned may not, directly or indirectly, for themselves or through, on behalf of, or in conjunction with any other person, partnership or corporation:

1.1. Own, maintain, engage in, be employed or serve as an officer, director, or principal of, lease space to, lend money or extend credit to, or have any other interest in or involvement with: (i) any other restaurant or business that offers or sells food and products that are the same or substantially similar to the Franchised Business (each, a "Competing Business"); or (ii) offers or grants licenses or franchises, or establishes joint ventures, for the ownership or operation of a Competing Business; provided, however, that this Section does not apply to your operation of a PORT OF PERI PERI franchise pursuant to a valid franchise agreement with Franchisor, or your ownership of less than two percent (2%) of the interests in a publicly traded company.

1.2. Employ or seek to employ any person who is at that time employed by Franchisor, Franchisor's affiliates or any other System franchisee, or otherwise directly or indirectly induce or seek to induce such person to leave his or her employment thereat; or

1.3. Divert or attempt to divert business or customers of any Franchisee-owned Franchised Businesses to any competitor, by direct or indirect inducement or otherwise, or do or perform, directly or indirectly, any other act injurious or prejudicial to the goodwill associated with the Proprietary Marks or the System.

2. **After the Term of This Agreement.**

2.1. For a period of two (2) years after the expiration and nonrenewal, transfer or termination of the Franchise Agreement, regardless of the cause, the undersigned may not, directly or indirectly, for themselves or through, on behalf of, or in conjunction with any other person, partnership or corporation enter into any business competing in whole or in part with Franchisor in offering or granting franchises or licenses, or establishing joint ventures, for the ownership or operation of a Competing Business. The scope of the non-compete described in this Section shall be the geographical area where Franchisor can demonstrate that it has offered and sold franchises as of the date the Franchise Agreement is terminated or expires (or, if applicable, as of the date Franchisee assigns/transfers the Franchise Agreement).

2.2. For a period of two (2) years after the expiration, transfer or termination of the Franchise Agreement, regardless of the cause, the undersigned may not, directly or indirectly, for themselves or through, on behalf of, or in conjunction with any other person, partnership or corporation:

2.2.1. Own, maintain, engage in, be employed or serve as an officer, director, or principal of, lease space to, lend money or extend credit to, or have any other interest in or involvement with, any Competing Business that is located within a five (5) mile radius of: (i) the perimeter of the Designated Territory granted under the Franchise Agreement; (ii) any other Restaurant that exists as of the date the Franchise Agreement is terminated or expires (or, if applicable, as of the date Franchisee assigns/transfers the Franchise Agreement); or (iii) any other development area territory granted by Franchisor to open Restaurants under the Marks as of the date this Agreement expires or is terminated;

2.2.2. Contact any of Franchisor's suppliers or vendors for any competitive business purpose; or

2.2.3. Solicit any of Franchisor's employees, or the employees of Franchisor's affiliates, or any other System franchisee to discontinue employment (to the extent permitted by and subject to applicable law).

3. **Intent and Enforcement**. It is the parties' intent that the provisions of this Article III be judicially enforced to the fullest extent permissible under applicable law. Accordingly, the parties agree that any reduction in scope or modification of any part of the noncompetition provisions contained herein shall not render any other part unenforceable. In the event of the actual or threatened breach of this Article III by you, any of your principals, or any members of their immediate family, Franchisor shall be entitled to an injunction restraining such person from any such actual or threatened breach. You agree that in the event of the actual or threatened breach of this Article III, Franchisor's harm will be irreparable and that Franchisor has no adequate remedy at law to prevent such harm. You acknowledge and agree that each of you has previously worked or been gainfully employed in other careers and that the provisions of this Article III in no way prevents you from earning a living. You further acknowledge and agree that the time limitation of this Article III shall be tolled during any default under this Guaranty.

ARTICLE IV
DISPUTE RESOLUTION

1. **Acknowledgment**. You acknowledge that this Guaranty is not a franchise agreement and does not confer upon you any rights to use the Franchisor's proprietary marks or its system.

2. **Governing Law.** This Guaranty shall be deemed to have been made in and governed by the laws of the State of Illinois.

3. **Internal Dispute Resolution.** You must first bring any claim or dispute arising out of or relating to the Franchise Agreement or this Personal Guaranty to Franchisor's Chief Executive Officer and/or President. You agree to exhaust this internal dispute resolution procedure before bringing any dispute before a third party. This agreement to engage in internal dispute resolution first shall survive the termination or expiration of this Agreement.

4. **Mediation.** At Franchisor's option, all claims or disputes between you and Franchisor or its affiliates arising out of, or in any way relating to, the Franchise Agreement, this Guaranty or any other agreement by and between the parties or their respective affiliates, or any of the parties' respective rights and obligations arising from such agreements, which are not first resolved through the internal dispute resolution procedure set forth above, must be submitted first to mediation, in Franchisor's principal offices in Illinois, under the auspices of the American Arbitration Association ("AAA"), in accordance with AAA's Commercial Mediation Rules then in effect. Before commencing any legal action against Franchisor or its affiliates with respect to any such claim or dispute, you must submit a notice to Franchisor that specifies, in detail, the precise nature and grounds of such claim or dispute. Franchisor will have a period of thirty (30) days following receipt of such notice within which to notify you as to whether Franchisor or its affiliates elect to exercise our option to submit such claim or dispute to mediation. You may not commence any arbitration proceeding or other action against Franchisor or its affiliates with respect to any such claim or dispute in any court unless Franchisor fails to exercise its option to submit such claim or dispute to mediation, or such mediation proceedings have been terminated either: (i) as the result of a written declaration of the mediator(s) that further mediation efforts are not worthwhile; or (ii) as a result of a written declaration by Franchisor. Franchisor may specifically enforce our mediation rights under this Section. Each party shall bear its own cost of mediation, except that you and Franchisor shall share the mediator's fees and costs equally. This agreement to mediate at Franchisor's option shall survive any termination or expiration of the Franchise Agreement and this Guaranty.

4.1. *Excepted Claims.* The parties agree that mediation shall not be required with respect to any claim or dispute involving: (i) any of your payment obligations that are past due; (ii) the actual or threatened disclosure or misuse of Franchisor's Confidential Information; (iii) the actual or threatened violation of Franchisor's rights in, or misuse of, the Proprietary Marks, System or other trade secrets; (iv) any of the restrictive covenants contained in the Franchise Agreement or this Guaranty; or (v) any claims arising out of or related to fraud or misrepresentation by you, or your insolvency (collectively, the "Excepted Claims").

5. **Jurisdiction and Venue**. Subject to the other dispute resolution provisions in this Personal Guaranty, the parties agree that any action at law or in equity instituted against either party to this Agreement must be commenced and litigated to conclusion (unless settled) only in any court of competent jurisdiction located closest to Villa Park, Illinois or, if appropriate, the United States District Court for the Northern District of Illinois (Eastern Division). The undersigned hereby irrevocably consent to the jurisdiction of these courts.

6. **Third Party Beneficiaries.** Franchisor's officers, directors, shareholders, agents and/or employees are express third-party beneficiaries of this Agreement and the mediation and other dispute resolution provisions contained herein, each having authority to specifically enforce the right to mediate and litigate claims asserted against such person(s) by you.

7. **Right to Injunctive Relief.** Nothing contained in this Guaranty shall prevent Franchisor from applying to or obtaining from any court having jurisdiction a writ of attachment, temporary injunction, preliminary injunction and/or other emergency relief available to safeguard and protect Franchisor's interest prior to the filing of any mediation or arbitration proceeding, or pending the trial or handing down of a decision or award pursuant to any mediation or arbitration proceeding conducted hereunder. If injunctive relief is granted, your only remedy will be the court's dissolution of the injunctive relief. If the injunctive relief was wrongfully issued, you expressly waive all claims for damages you incurred as a result of the wrongful issuance.

8. **JURY TRIAL AND CLASS ACTION WAIVER. THE PARTIES HEREBY AGREE TO WAIVE TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM, WHETHER AT LAW OR EQUITY, REGARDLESS OF WHICH PARTY BRINGS SUIT. THIS WAIVER SHALL APPLY TO ANY MATTER WHATSOEVER BETWEEN THE PARTIES HERETO WHICH ARISES OUT OF OR IS RELATED IN ANY WAY TO THIS AGREEMENT, THE PERFORMANCE OF EITHER PARTY, AND/OR FRANCHISEE'S PURCHASE FROM FRANCHISOR OF THE FRANCHISE AND/OR ANY GOODS OR SERVICES. THE PARTIES AGREE THAT ALL PROCEEDINGS ARISING OUT OF OR RELATED TO THIS AGREEMENT, OR THE SALE OF THE FRANCHISED BUSINESS, WILL BE CONDUCTED ON AN INDIVIDUAL, NOT A CLASS-WIDE BASIS, AND THAT ANY PROCEEDING BETWEEN FRANCHISEE, FRANCHISEE'S GUARANTORS AND FRANCHISOR OR ITS AFFILIATES/OFFICERS/EMPLOYEES MAY NOT BE CONSOLIDATED WITH ANY OTHER PROCEEDING BETWEEN FRANCHISOR AND ANY OTHER THIRD PARTY.**

9. **Limitation of Action.** You further agree that no cause of action arising out of or under this Guaranty may be maintained by you unless brought before the expiration of one year after the act, transaction or occurrence upon which such action is based or the expiration of one year after you become aware of facts or circumstances reasonably indicating that you may have a claim against us, whichever occurs sooner, and that any action not brought within this period shall be barred as a claim, counterclaim, defense or set-off.

10. **Punitive Damages.** You hereby waive to the fullest extent permitted by law, any right to or claim for any punitive, exemplary, incidental, indirect, special or consequential damages (including, without limitation, lost profits) which you may have against us, arising out of any cause whatsoever (whether such cause be based in contract, negligence, strict liability, other tort or otherwise) and agrees that in the event of a dispute, that your recovery shall be limited to actual damages. If any other term of this Guaranty is found or determined to be unconscionable or unenforceable for any reason, the foregoing provisions shall continue in full force and effect, including, without limitation, the waiver of any right to claim any consequential damages.

11. **Costs and Attorneys' Fees.** Whether or not formal legal proceedings are initiated, in the event Franchisor incurs any legal fees or other costs associated with enforcing the terms of this Guaranty or the Franchise Agreement against you, then Franchisor will be entitled to recover from you all costs and expenses, including reasonable attorneys' fees, incurred in enforcing the terms of this Guaranty or the Franchise Agreement.

12. **Nonwaiver.** Franchisor's failure to insist upon strict compliance with any provision of this Guaranty shall not be a waiver of our right to do so, any law, custom, usage or rule to the contrary notwithstanding. Delay or omission by us respecting any breach or default shall not affect Franchisor's rights respecting any subsequent breaches or defaults. All rights and remedies granted in this Guaranty shall be cumulative. Your election to exercise any remedy available by law or contract shall not be deemed a waiver or preclude exercise of any other remedy.

13. **No Personal Liability.** You agree that fulfillment of any and all of Franchisor's obligations written in the Franchise Agreement or this Guaranty, or based on any oral communications which may be ruled to be binding in a court of law, shall be Franchisor's sole responsibility and none of our owners, officers, agents, representatives, nor any individuals associated with Franchisor shall be personally liable to you for any reason. This is an important part of this Guaranty. You agree that nothing that you believe you have been told by us or our representatives shall be binding unless it is written in the Franchise Agreement or this Guaranty. <u>Do not sign this Agreement if there is any question concerning its contents or any representations made</u>.

14. **Severability.** The parties agree that if any provisions of this Guaranty may be construed in two ways, one of which would render the provision illegal or otherwise voidable or unenforceable and the other which would render it valid and enforceable, such provision shall have the meaning, which renders it valid and enforceable. The language of all provisions of this Guaranty shall be construed according to fair meaning and not strictly construed against either party. The provisions of this Guaranty are severable, and this Guaranty shall be interpreted and enforced as if all completely invalid or unenforceable provisions were not contained herein, and partially valid and enforceable provisions shall be enforced to the extent that they are valid and enforceable. If any material provision of this Guaranty shall be stricken or declared invalid, the parties agree to negotiate mutually acceptable substitute provisions. In the event that the parties are unable to agree upon such provisions, Franchisor reserves the right to terminate this Guaranty.

15. **Construction of Language.** Any term defined in the Franchise Agreement which is not defined in this Guaranty will be ascribed the meaning given to it in the Franchise Agreement. The language of this Guaranty will be construed according to its fair meaning, and not strictly for or against either party. All words in this Guaranty refer to whatever number or gender the context requires. If more than one party or person is referred to as you, their obligations and liabilities must be joint and several. Headings are for reference purposes and do not control interpretation.

16. **Successors.** References to "Franchisor" or "the undersigned," or "you" include the respective parties' heirs, successors, assigns or transferees.

IN WITNESS WHEREOF, the parties hereto have executed and delivered this Guaranty on the date stated on the first page hereof.

PERSONAL GUARANTORS

______________________ [Insert Name of Guarantor]	______________________ [Insert Name of Spouse]
______________________ [Insert Name of Guarantor]	______________________ [Insert Name of Spouse]
______________________ [Insert Name of Guarantor]	______________________ [Insert Name of Spouse]
______________________ [Insert Name of Guarantor]	______________________ [Insert Name of Spouse]

EXHIBIT C TO THE FRANCHISE AGREEMENT

CONSENT AND AGREEMENT OF LANDLORD FORM AND COLLATERAL ASSIGNMENT OF LEASE FORM

CONSENT AND AGREEMENT OF LANDLORD

The undersigned Landlord hereby:

A. Agrees that the leased Premises will only be used in connection with the operation of Franchisee's PORT OF PERI PERI franchised business;

B. Agrees that Franchisor has the right to enter the Premises to (a) make any modifications necessary to protect Franchisor's Proprietary Marks, or (b) otherwise exercise or enforce Franchisor's rights under the Franchise Agreement;

C. Agrees to allow Franchisee, upon written request from Franchisor, to provide Franchisor with a current copy of the lease;

D. Agrees to notify Franchisor in writing of and upon the failure of Franchisee to cure any default by Franchisee under the Lease, and also provide Franchisor with the right to cure said default under the Lease within thirty (30) days of being notified (but Franchisor is under no obligation to do so);

E. Agrees that Franchisor will have the option, but not the obligation, to assume or renew the lease and the occupancy of the business Premises, including the right to sublease to another Franchisee, for all or any part of the remaining term of the lease, upon Franchisee's default or termination hereunder or upon Franchisee's default or termination or expiration of the Franchise Agreement, and in connection with said assumption Franchisor will not be obligated to pay to the landlord past due rent, common area maintenance, and other charges attributable to more than one (1) month. The landlord shall give Franchisor thirty (30) days, upon termination of Franchisee's rights under the lease, to exercise this option; and

F. Agrees that the lease may not be materially amended, assigned, or sublet without Franchisor's prior written approval.

Dated: ______________________________________

LANDLORD
CORPORATE SIGNATURE:

a/an ___________________ corporation

By: ____ By: _____________________________________

Its: ____ Its: _____________________________________

SIGNED and SEALED this _____ day of ______________, 20___

____ Notary Public

COLLATERAL ASSIGNMENT OF LEASE

FOR VALUE RECEIVED, the undersigned ("Assignor") hereby assigns and transfers to Peri Peri Holdings LLC ("Assignee"), all of Assignor's right, title and interest as tenant in, to and under that certain lease, a copy of which is attached hereto as Schedule 1 (the "Lease") respecting premises commonly known as ____ (the "Premises").

This Assignment is for collateral purposes only and except as specified herein, Assignee has no liability or obligation of any kind whatsoever arising from or in connection with this Assignment or the Lease unless: (i) Assignee provides express, written notice to both Assignor and the landlord of the Premises under the Lease that Assignee is assuming all of Assignor's rights, title and interest under the Lease pursuant to this assignment; and (ii) Assignee takes possession of the Premises demised by the Lease pursuant to the terms hereof, and assumes the obligations of Assignor thereunder.

Assignor represents and warrants to Assignee that it has full power and authority to so assign the Lease and its interest therein and that Assignor has not previously assigned or transferred, and is not obligated to assign or transfer, any of its interest in the Lease or the premises demised thereby.

Upon a default and failure to cure (within the appropriate time period) by Assignor under the Lease or under the franchise agreement for a Franchised Business between Assignee and Assignor (the "Franchise Agreement"), or in the event of a default by Assignor under any document or instrument securing the Franchise Agreement, or upon expiration or termination of the Franchise Agreement, Assignee has the right and is hereby empowered to take possession of the premises demised by the Lease, expel Assignor therefrom, and, in such event, Assignor will have no further right, title or interest in the Lease. Assignor hereby authorizes the Lessor to disclose to Assignee, upon its request, sales and other information furnished to the Lessor by Assignor.

Assignor agrees that it will not suffer or permit any surrender, termination, amendment or modification of the Lease without the prior written consent of Assignee. Throughout the term of the Franchise Agreement and any renewals thereto, Assignor agrees that it must elect and exercise all options to extend the term of or renew the Lease not less than 120 days prior to the last day that the option must be exercised, unless Assignee otherwise agrees in writing. If Assignee does not otherwise agree in writing, and upon failure of Assignor to so elect to extend or renew the Lease as aforesaid, Assignor hereby appoints Assignee as its true and lawful attorney-in-fact to exercise such extension or renewal options in the name, place and stead of Assignor for the purpose of effecting such extension or renewal.

ASSIGNOR:

Dated:____________________ ________________________________

____

SIGNED AND SEALED this __
day of ________________, 20___

EXHIBIT D TO THE FRANCHISE AGREEMENT

EFT AUTHORIZATION FORM

Bank Name: ____
ABA# : ____
Acct. No.: ____
Acct. Name: ____

Effective as of the date of the signature below, **[Franchisee Name]** (the "Franchisee") hereby authorizes Peri Peri Holdings LLC (the "Company") or its designee to withdraw funds from the above-referenced bank account, electronically or otherwise, to cover the following payments that are due and owing Company or its affiliates under the franchise agreement dated ________________(the "Franchise Agreement") for the franchised business located at: _________________________________ (the "Franchised Business"): (i) all Royalty Fees; (ii) Fund Contributions (if a Fund is established); (iii) (iii) any amounts due and owing the Company or its affiliates in connection with marketing materials or other supplies or inventory that is provided by Company or its affiliates; and (iv) all other fees and amounts due and owing to Company or its affiliates under the Franchise Agreement. Franchisee acknowledges each of the fees described above may be collected by the Company (or its designee) as set forth in the Franchise Agreement.

The parties further agree that all capitalized terms not specifically defined herein will be afforded the definition they are given in the Franchise Agreement.

Such withdrawals shall occur on a weekly basis, or on such other schedule as Company shall specify in writing. This authorization shall remain in full force and effect until terminated in writing by Company. **[Franchisee Name]** shall provide Company, in conjunction with this authorization, a voided check from the above-referenced account.

AGREED:

FRANCHISEE

[INSERT FRANCHISEE NAME]

By: __________________________________

Name (Print): _________________________

Its: ___________________________________

FRANCHISOR APPROVAL

PERI PERI HOLDINGS LLC

By: _____________________________
Syed Naveed Pasha, President and CEO

Please attach a voided blank check, for purposes of setting up Bank and Transit Numbers.

EXHIBIT E TO THE FRANCHISE AGREEMENT

CONFIDENTIALITY AND RESTRICTIVE COVENANT AGREEMENT
(for trained employees, officers, directors, general partners, members, Designated Managers and any other management personnel of Franchisee)

In consideration of my being a [INSERT TITLE/ROLE WITH FRANCHISEE] of _____________ (the "Franchisee"), and other good and valuable consideration, the receipt and sufficiency of which is acknowledged, I (the undersigned) hereby acknowledge and agree that Franchisee has acquired the right from Peri Peri Holdings LLC (the "Company") to: (i) establish and operate a PORT OF PERI PERI franchised business (the "Franchised Business"); and (ii) use in the operation of the Franchised Business the Company's trade names, trademarks and service marks (collectively, the "Proprietary Marks") and the Company's unique and distinctive format and system relating to the establishment and operation of Port of Peri Peri businesses (the "System"), as they may be changed, improved and further developed from time to time in the Company's sole discretion, only at the following authorized and approved location: ___________________________________ (the "Premises").

1. The Company possesses certain proprietary and confidential information relating to the operation of the Franchised Business and System generally, including without limitation: Company's proprietary and confidential Operations Manual and other manuals providing guidelines, standards and specifications related to the establishment and operation of the Franchised Business (collectively, the "Manual"); Franchisor's proprietary training materials and programs, as well as proprietary marketing methods and other instructional materials, trade secrets; information related to any other proprietary methodology or aspects of the System or the establishment and continued operation of the Franchised Business; financial information; any and all customer lists, contracts and other customer information obtained through the operation of the Franchised Business and other Port of Peri Peri businesses; any information related to any type of proprietary software that may be developed and/or used in the operation of with the Franchised Business; and any techniques, special recipes, ingredients, menu item preparation, methods, and know-how related to the operation of Port of Peri Peri business or otherwise used in connection with the System, which includes certain trade secrets, copyrighted materials, methods and other techniques and know-how (collectively, the "Confidential Information").

2. Any other information, knowledge, know-how, and techniques which the Company specifically designates as confidential will also be deemed to be Confidential Information for purposes of this Agreement.

3. As [INSERT TITLE WITH RESPECT TO FRANCHISEE] of the Franchisee, the Company and Franchisee will disclose the Confidential Information to me in furnishing to me the training program and subsequent ongoing training, the Manual, and other general assistance during the term of this Agreement.

4. I will not acquire any interest in the Confidential Information, other than the right to utilize it in the operation of the Franchised Business during the term hereof, and the use or duplication of the Confidential Information for any use outside the System would constitute an unfair method of competition.

5. The Confidential Information is proprietary, involves trade secrets of the Company, and is disclosed to me solely on the condition that I agree, and I do hereby agree, that I shall hold in strict confidence all Confidential Information and all other information designated by the Company as confidential. Unless the Company otherwise agrees in writing, I will disclose and/or use the Confidential Information only in connection with my duties as [INSERT TITLE] of the Franchisee, and will continue not to disclose any such information even after I cease to be in that position and will not use any such

information even after I cease to be in that position unless I can demonstrate that such information has become generally known or easily accessible other than by the breach of an obligation of Franchisee under the Franchise Agreement.

6. Except as otherwise approved in writing by the Company, I shall not, while in my position with the Franchisee, for myself, or through, on behalf of, or in conjunction with any person, persons, partnership, corporation or limited liability company, own, maintain, engage in, be employed by, or have any interest in: (i) any other restaurant or business that offers or sells food and products that are the same or substantially similar to the Franchised Business (each, a "Competing Business"); or (ii) grants or has granted franchises or licenses, or establishes or has established joint ventures, for any Competing Business. I also agree that I will not undertake any action to divert business from the Franchised Business to any Competing Business, or solicit any of the former customers or employees of Franchisee for any competitive business purpose.

6.1 *Post-Term Restrictive Covenant for Designated Manager of Franchised Business or Manager/Officers/Directors of Franchisee*. In the event I am a manager of the Franchised Business, or an officer/director/manager/partner of Franchisee that has not already executed a Personal Guaranty agreeing to be bound by the terms of the Franchise Agreement, then I further agree that I will not be involved in a Competing Business of any kind for a period of two (2) years after the expiration or termination of my employment with Franchisee for any reason: (i) at or within a five (5) mile radius of the Premises; or (ii) within a five (5) mile radius of any other Port of Peri Peri business that exists at the time my employment with Franchisee ceases. During the two (2) year period described in this Section, I also agree that I will not: (a) be involved in the franchising or licensing of any Competing Business at any location within the United States where the Company can demonstrate it has offered or sold franchises as of the date my employment ceases with Franchisee; (b) undertake any action to divert business from the Franchised Business to any Competing Business; or (c) solicit any of the former customers or employees of Franchisee for any competitive business purpose.

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

8. I understand and acknowledge that the Company shall have the right, in its sole discretion, to reduce the scope of any covenant set forth in this Agreement, or any portion thereof, without my consent, effective immediately upon receipt by me of written notice thereof; and I agree to comply forthwith with any covenant as so modified.

9. The Company is a third-party beneficiary of this Agreement and may enforce it, solely and/or jointly with the Franchisee. I am aware that my violation of this Agreement will cause the Company and the Franchisee irreparable harm; therefore, I acknowledge and agree that the Franchisee and/or the Company may apply for the issuance of an injunction preventing me from violating this Agreement, and I agree to pay the Franchisee and the Company all the costs it/they incur(s), including, without limitation, legal fees and expenses, if this Agreement is enforced against me. Due to the importance of this Agreement to the Franchisee and the Company, any claim I have against the Franchisee or the Company is a separate matter and does not entitle me to violate, or justify any violation of this Agreement.

10. This Agreement shall be construed under the laws of Illinois. The only way this Agreement can be changed is in writing signed by both the Franchisee and me.

IN WITNESS WHEREOF, this Agreement is made and entered into by the undersigned parties as of the Effective Date.

UNDERSIGNED

Signature: ______________________________

Name: ______________________________

Address: ______________________________

Title: ______________________________

ACKNOWLEDGED BY FRANCHISEE

[FRANCHISEE NAME]

By: ____________________________________

Title: ____________________________________

EXHIBIT F TO THE FRANCHISE AGREEMENT

CONDITIONAL ASSIGNMENT OF TELEPHONE NUMBERS AND DOMAIN NAMES

1. ____________________, doing business as Port of Per Peri (the "Assignor"), in exchange for valuable consideration provided by Peri Peri Holdings LLC (the "Assignee"), receipt of which is hereby acknowledged hereby conditionally assigns to Assignee all telephone numbers, facsimile numbers, domain names, as well as any listings associated therewith, utilized by Assignor in the operation of its PORT OF PERI PERI franchised business located at ______________________________ (collectively, the "Assigned Property"). The Assigned Property includes the following:

Telephone Number(s): ____
Facsimile Number(s): ____
Domain Name(s) (as permitted by Franchisor under the Franchise Agreement): ________________
____.

2. The conditional agreement will become effective automatically upon termination, expiration of Assignor's franchise. Upon the occurrence of that condition, Assignor must do all things required by the telephone company and/or domain name registrar to assure the effectiveness of the assignment of Assigned Property as if the Assignee had been originally issued such Assigned Property and the usage thereof.

3. Assignor agrees to pay the telephone company and/or domain name registrar, on or before the effective date of assignment, all amounts owed for the use of the Assigned Property up to the date this Assignment becomes effective. Assignor further agrees to indemnify Assignee for any sums Assignee must pay the telephone company or domain name registrar to effectuate this agreement, and agrees to fully cooperate with the telephone company and/or domain name registrar, as well as the Assignee, in effectuating this assignment.

ASSIGNOR

By: ______________________________ Date: __________________

Title:____________________________

ASSIGNEE

PERI PERI HOLDINGS LLC

By: ___________________________________ Date: __________________
Syed Naveed Pasha, President and CEO

EXHIBIT G TO THE FRANCHISE AGREEMENT

FRANCHISEE QUESTIONNAIRE/COMPLIANCE CERTIFICATION

As you know, Peri Peri Holdings LLC (“we”, “us”), and you are preparing to enter into a Franchise Agreement for the right to open and operate one (1) or more P franchises (each, a “Franchised Business”). The purpose of this Questionnaire is to: (i) determine whether any statements or promises were made to you that we have not authorized or that may be untrue, inaccurate or misleading; (ii) be certain that you have been properly represented in this transaction; and (iii) be certain that you understand the limitations on claims you may make by reason of the purchase and operation of your franchise. **You must sign and date this certification the same day you sign the Franchise Agreement, and pay us the appropriate franchise fee.** Please review each of the following questions carefully and provide honest responses to each question. If you answer “No” to any of the questions below, please explain your answer on the back of this sheet.

Yes____ No ____ 1. Have you received and personally reviewed the Franchise Agreement/Development Agreement, as well as each exhibit or schedule attached to these agreements that you intend to enter into with us?

Yes____ No ____ 2. Have you received and personally reviewed the Franchise Disclosure Document we provided?

Yes____ No ____ 3. Did you sign a receipt for the Disclosure Document indicating the date you received it?

Yes____ No ____ 4. Do you understand all the information contained in the Disclosure Document and the Franchise Agreement/Development Agreement you intend to enter into with us?

Yes____ No ____ 5. Have you reviewed the Disclosure Document and Franchise Agreement/Development Agreement with a lawyer, accountant or other professional advisor and discussed the benefits and risks of operating the Franchised Business(es) with these professional advisor(s)?

Yes____ No ____ 6. Do you understand the success or failure of your Franchised Business(es) will depend in large part upon your skills, abilities and efforts and those of the persons you employ, as well as many factors beyond your control such as demographics of your Premises, competition, interest rates, the economy, inflation, labor and supply costs, lease terms and the marketplace?

Yes____ No ____ 7. Do you understand we have only granted you certain, limited territorial rights under the Franchise Agreement, and that we have reserved certain rights under the Franchise Agreement?

Yes____ No ____ 8. Do you understand we and our affiliates retain the exclusive unrestricted right to engage, directly or through others, in the providing of services under the PORT OF PERI PERI mark or any other mark at any location outside your Designated Territory under the Franchise Agreement without regard to the proximity of these activities to you’re the premises of your Franchised Business(es)?

Yes____ No ____ 9. Do you understand all disputes or claims you may have arising out of or relating to the Franchise Agreement must be mediated, at our option, at our principal offices in Illinois?

Yes____ No ____ 10. Do you understand the Franchise Agreement/Development Agreement provides that you can only collect compensatory damages on any claim under or relating to the Franchise Agreement/Development Agreement and are not entitled to any punitive, consequential or other special damages?

Yes____ No ____ 11. Do you understand the sole entity or person against whom you may bring a claim under the Franchise Agreement/Development Agreement is us?

Yes____ No ____ 12. Do you understand that the Franchisee (or one of its principals if Franchisee is an organization), as well as any Designated Managers (as defined in the Franchise Agreement), must successfully complete the appropriate initial training program(s) before we will allow the Franchised Business to open or consent to a transfer of that Franchised Business?

Yes____ No ____ 13. Do you understand that we require you to successfully complete certain initial training program(s) and if you do not successfully complete the applicable training program(s) to our satisfaction, we may terminate your Franchise Agreement/Development Agreement?

Yes____ No ____ 14. Do you understand that we do not have to sell you a franchise or additional franchises or consent to your purchase of existing franchises?

Yes____ No ____ 15. Do you understand that we will send written notices, as required by your Franchise Agreement/Development Agreement, to either your Franchised Business or home address until you designate a different address by sending written notice to us?

Yes____ No ____ 16. Do you understand that we will not approve your purchase of a franchise, or we may immediately terminate your Franchise Agreement/Development Agreement, if we are prohibited from doing business with you under any anti-terrorism law enacted by the United States Government?

Yes____ No ____ 17. Did any broker, employee or other person speaking on our behalf made any statement or promise regarding the costs involved in operating a Franchised Business that is not contained in the Disclosure Document or that is contrary to, or different from, the information contained in the Disclosure Document?

Yes____ No ____ 18. Did any broker, employee or other person speaking on our behalf made any statement or promise regarding the actual, average or projected profits or earnings, the likelihood of success, the amount of money you may earn, or the total amount of revenue a Franchised Business will generate, that is not contained in the Disclosure Document or that is contrary to, or different from, the information contained in the Disclosure Document?

Yes____ No ____ 19. Did any broker, employee or other person speaking on our behalf made any statement or promise or agreement, other than those matters addressed in your Franchise Agreement concerning advertising, marketing, media support, marketing penetration, training, support service or assistance that is contrary to, or different from, the information contained in the Disclosure Document?

Yes____ No ____ 20. Did any broker, employee or other person providing services to you on our behalf has solicited or accepted any loan, gratuity, bribe, gift or any other payment in money, property or services from you in connection with a Franchised Business purchase with exception of those payments or loans provided in the Disclosure Document?

YOU UNDERSTAND THAT YOUR ANSWERS ARE IMPORTANT TO US AND THAT WE WILL RELY ON THEM. BY SIGNING THIS QUESTIONNAIRE, YOU ARE REPRESENTING THAT YOU HAVE CONSIDERED EACH QUESTION CAREFULLY AND RESPONDED TRUTHFULLY TO THE ABOVE QUESTIONS.

______________________________ Signature of Franchise Applicant	______________________________ Signature of Franchise Applicant
______________________________ Name (please print)	______________________________ Name (please print)
Dated: _______________, 20_______	Dated: _______________, 20_______
______________________________ Signature of Franchise Applicant	______________________________ Signature of Franchise Applicant
______________________________ Name (please print)	______________________________ Name (please print)
Dated: _______________, 20_______	Dated: _______________, 20_______

GIVE A COMPLETE EXPLANATION OF ANY NEGATIVE RESPONSES ON BACK OF THIS PAGE (REFER TO QUESTION NUMBER)

EXHIBIT C
DEVELOPMENT AGREEMENT

DEVELOPMENT AGREEMENT

This Development Agreement ("Agreement") entered into this __ day of ___, 20__, between: (i) Peri Peri Holdings LLC (the "Franchisor"); and (ii) ____________________________________, a (resident of) (corporation organized in) (limited liability company organized in) ________________________ with a business address at ________________ (the "Developer").

BACKGROUND

A. Franchisor and its principals and affiliates have expended a considerable amount of time, effort, and money to develop a system for the operation of unique eating establishments specializing in offering made-to-order, all-natural, fresh Peri Peri chicken, pitas, wraps, salads and side dishes in a casual restaurant environment Franchisor authorizes under the name "Port of Peri Peri" and/or other proprietary marks we designate (the "Franchised Business" or "Restaurant").

B. Restaurants are established and operated using a unique operating system, the distinguishing characteristics of which include: (i) unique proprietary recipes (the "Proprietary Recipes"); (ii) uniform specifications for food and beverage preparation and presentation; (iii) distinctive interior and exterior Restaurant design, decor and color schemes; (iv) uniform specifications for furniture, fixtures, equipment, and signage; (v) merchandising, marketing, advertising, and inventory management systems; and (vi) other standards and procedures for operation and management of a Restaurant in the manner set forth in this Agreement and in the Operations Manual provided by Franchisor, as modified from time to time (the "System").

C. The System is identified by proprietary trademarks, service marks, trade dress, logos and other indicia of origin including, without limitation, the trade name and service mark "Port of Peri Peri" (the "Proprietary Marks"). The rights to all such Proprietary Marks as are now, or shall hereafter be, designated as part of the System will be owned exclusively by Franchisor or its affiliates and be used for the benefit of Franchisor, its affiliates and Franchisor's franchisees to identify to the public the source of the products and services marketed thereunder. Franchisor continues to develop, expand, use, control, and add to the Proprietary Marks and System for the benefit use of itself, its affiliates, and its franchisees and licensees in order to identify for the public the source of products and services marketed thereunder and to represent the System's high standards of quality and service.

D. Franchisor offers franchises to qualified individuals for the right to operate a single or multiple Restaurants under the System and Proprietary Marks.

E. Area Developer desires to obtain the exclusive right to develop the designated territory granted hereunder ("Development Area") by opening multiple Area Developer-owned Restaurants pursuant to the Mandatory Development Schedule set forth herein (the "Area Development Business").

F. Area Developer understands and acknowledges the importance of Franchisor's uniformly high standards of quality and service and the necessity of ensuring that Area Developer operates Area Developer's Restaurants in strict conformity with Franchisor's quality control standards and specifications.

G. Franchisor hereby grants to Area Developer the right to operate multiple Restaurants, in reliance upon all of the representations made in Area Developer's application and in this Agreement.

NOW, THEREFORE, for valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

AGREEMENT

1. **Development Area**.

1.1 Subject to the terms and conditions set forth herein, Franchisor grants Developer the right, and Developer undertakes the obligation, to develop and establish ______ Franchised Businesses within the Development Area defined in the Data Sheet attached hereto as Exhibit A (the "Data Sheet"), provided Developer opens and commences operations of such Franchised Businesses in strict accordance with the mandatory development schedule also set forth in the Data Sheet (the "Development Schedule") and otherwise subject to the terms and conditions set forth herein.

1.2 Except as provided in Section 1.3 and otherwise herein, during the term of this Agreement Franchisor will not open or operate, or license any third party the right to open or operate, any Restaurant utilizing the Proprietary Marks and System within the Development Area.

1.3 Developer agrees and acknowledges that Franchisor will have the right to modify the boundaries of the Development Area upon written notice to Developer to account for any designated territory that is granted to another System franchisee or developer in connection with a premises for a Restaurant at a location that (a) Developer secures, and (b) is close to the outer boundaries of the Development Area, to the extent necessary to avoid overlap between that designated territory and the Development Area. In the event Franchisor notifies Developer that it is modifying the Development Area as set forth in this Section, Developer agrees to work in good faith with Franchisor to enter into an addendum to this Agreement detailing the modified Development Area.

2. **Development Fee.**

2.1 Developer shall pay Franchisor a development fee equal to $_______________ (the "Development Fee") for the right to develop the foregoing Franchised Businesses within the Development Area under this Agreement, which is deemed fully earned upon payment and is not refundable under any circumstances. Developer shall pay Franchisor the full Development Fee upon execution of this Agreement.

3. **Initial Franchise Agreement**. Contemporaneous with the execution of this Agreement, Developer must enter into Franchisor's current form of Franchise Agreement for the Initial Franchised Business that Developer is required to open within the Development Area. In the event Developer is a business entity of any kind, then Developer's principals/owners must each execute the form of personal guaranty attached to the foregoing Franchise Agreement, as well as any additional Franchise Agreements described in Section 4 of this Agreement.

4. **Additional Franchise Agreements.** Developer agrees and acknowledges that it must: (i) enter into Franchisor's then-current form of Franchise Agreement for each Additional Franchised Business that Developer is required to open under this Agreement; and (ii) enter into such Franchise Agreements at such times that are required for Developer to timely meet, and strictly adhere to, its obligations under the agreed-upon Development Schedule.

5. **Development Obligations.** Developer must ensure that, at a minimum, Developer: (i) opens and commences operations of the number of new Franchised Businesses during each of the development periods defined in the Development Schedule (each, a "Development Period"); and (ii) has the minimum cumulative number of Franchised Businesses open and operating at the expiration of each such Development

Period. The parties agree and acknowledge that time is of the essence with respect to the foregoing development obligations, and that Developer's failure to comply with the Development Schedule in any manner with respect to any Development Period is grounds for immediate termination of this Agreement if not timely cured as set forth in Section 6.2 of this Agreement (and any future development rights granted hereunder).

6. **Term and Termination.**

6.1 This Agreement will commence as of the date it is fully executed and, unless earlier terminated by Franchisor, will expire on the earlier of: (i) the last day of the calendar month that the final Franchised Business is required to be opened and operating under the Development Schedule; or (ii) the date Developer actually opens the last Franchised Business that Developer is granted the right to open under this Agreement. Upon expiration or termination of this Agreement for any reason, Developer will not have any rights within the Development Area other than the territorial rights granted in connection with any "Designated Territory" associated with a Franchised Business that Developer has opened and commenced operating as of the date this Agreement is terminated or expires (as such rights are granted by Franchisor under the respective Franchise Agreement(s) into which Developer has entered for such Franchised Business(es)).

6.2 Franchisor will have the right, at its option, to terminate this Agreement and all rights granted to Developer hereunder, without affording Developer any opportunity to cure such default, effective upon written notice to Developer, upon the occurrence of any of the following events: (i) if Developer ceases to actively engage in development activities in the Development Area or otherwise abandons its development business for three (3) consecutive months, or any shorter period that indicates an objective intent by Developer to discontinue development of the Franchised Businesses within the Development Area; (ii) if Developer becomes insolvent or is adjudicated bankrupt, or if any action is taken by Developer, or by others against the Developer, under any insolvency, bankruptcy or reorganization act, or if Developer makes an assignment for the benefit of creditors or a receiver is appointed by the Developer; (iii) if Developer fails to meet its development obligations under the Development Schedule for any single Development Period (including any corresponding Pre-Opening Support Fee or other payment obligations), and fails to cure such default within 30 days of receiving notice thereof; or (iv) if any Franchise Agreement that is entered into in order to fulfill Developer's development obligations under this Agreement is terminated or subject to termination by Franchisor, pursuant to the terms of that Franchise Agreement.

7. **Reservation of Rights.** Except as provided in Section 1 of this Agreement, the parties agree and acknowledge that the rights granted in this Agreement are non-exclusive and that Franchisor and its affiliates reserve all other rights not expressly granted to Developer herein.

8. **Sale or Assignment.** Developer's rights under this Agreement are personal and Developer may not sell, transfer, or assign any right granted herein without Franchisor's prior written consent, which may be withheld in its sole discretion. Notwithstanding, if Developer is an individual or a partnership, Developer has the right to assign its rights under this Agreement to a corporation or limited liability company that is wholly owned by Developer according to the same terms and conditions as provided in Developer's initial Franchise Agreement. Franchisor has the right to assign this Agreement in whole or in part in its sole discretion.

9. **Option to Purchase.** Franchisor has the option to purchase all of the rights granted to Developer under this Agreement, along with the Franchise Agreement and assets associated with any Restaurant that is opened within the Development Area as of the date Franchisor provides Developer with the "Option Notice" defined below (each, an "Existing Restaurant") in accordance with the terms of this Section (the "Option").

9.1 *Option Period.* Franchisor may exercise the Option at any point during the term of this Agreement. Franchisor must provide Developer with written notice of its intention to exercise the Option (the "Option Notice").

9.2 *Purchase Price.* Franchisor agrees to pay Developer a purchase price that will be calculated based on (a) the development and other rights granted under this Agreement, and (b) any Existing Restaurant that Developer has opened and the assets associated therewith (the "Purchase Price"). The Purchase Price shall be calculated as follows:

9.2.1 if Developer has not opened or entered into a lease for any Restaurant, then the Purchase Price for all rights granted under this Agreement and any signed Franchise Agreements described herein will be 200% of the Development Fee described in Section 2.1 above;

9.2.2 if Developer has developed or opened an Existing Restaurant as of the date Franchisor provides Developer with the Option Notice, then: (i) the Purchase Price for each such Existing Restaurant, including (a) all furniture, fixtures, equipment, unused inventory and supplies (as of the date of the contemplated sale) and other operating assets used in connection with that Existing Restaurant, (b) all franchise rights, leasehold or ownership rights in the premises of that Existing Restaurant, and (c) any and all licenses (including any license to sell any type of alcohol), permits and approvals associated with that Existing Restaurant (collectively, the "Restaurant Assets"), will be calculated as set forth in purchase option provision in the Franchise Agreement governing that Existing Restaurant; and (ii) the Purchase Price for all remaining development and other rights granted under this Agreement will amount to $40,000 multiplied by the number of Franchised Businesses that Developer still has the right to open as of the date Franchisor provides Developer with the Option Notice.

9.3 *Exercising the Option and Related Terms.* Once Franchisor has provided Developer with the Option Notice, Franchisor will have a 90-day period within which to conduct its due diligence on any Restaurant Assets that might be part of the purchase. In the event that Franchisor elects to proceed with the purchase after the satisfactory conclusion of Franchisor's due diligence, Franchisor will have 60 days from the completion of its due diligence investigation within which to tender the Purchase Price and close on the transaction ("Closing"). At Closing, Developer agrees to deliver possession and title to all the assets and rights described in this Section 9 (the "Acquired Assets and Rights") to Franchisor pursuant to a prescribed form of asset purchase agreement, free and clear of all liens and encumbrances. Franchisor may elect to rescind its election to exercise the Option at any time prior to Closing. Franchisor's failure to exercise the Option on one or more occasions will not preclude Franchisor from exercising the Option at a later date. Franchisor will not be obligated to assume any liabilities in connection with Franchisor's purchase of the Acquired Assets and Rights. Franchisor shall be entitled to offset the total Purchase Price by: (i) any amounts owed by Developer to Franchisor; and (ii) any liabilities (contingent or otherwise) which Franchisor agrees, at its discretion, to undertake in connection with exercising the Option. Franchisor will be entitled to all customary warranties and representations in connection with Franchisor's purchase of the Acquired Assets and Rights, including, without limitation: representations and warranties as to ownership and condition of and title with respect to any Restaurant Assets; liens and encumbrances with respect to any Restaurant Assets; validity of contracts and agreements; and liabilities affecting the Acquired Assets and Rights, contingent or otherwise. Upon Closing, this Agreement and any Franchise Agreement governing an Existing Restaurant will be deemed terminated (or transferred, at Franchisor's option), and Developer must comply with all post-term obligations associated with this Agreement and such Franchise Agreements. The parties acknowledge and agree that the Option and the Purchase Price set forth herein are fair and reasonable.

10. **Acknowledgment**. Developer acknowledges that this Agreement is not a Franchise Agreement and does not confer upon Developer any rights to use the Franchisor's Proprietary Marks or System.

11. **Notices**. All notices, requests and reports to be given under this Agreement are to be in writing, and delivered either by hand, overnight mail via recognized courier such as UPS or FedEx, or certified mail, return receipt requested, prepaid, to the addresses set forth above (which may be changed by written notice).

12. **Choice of Law.** This Agreement shall be governed by and construed in accordance with the laws of the State of Illinois, without reference to this state's conflict of laws principles.

13. **Internal Dispute Resolution.** Developer must first bring any claim or dispute between Developer and Franchisor to Franchisor's management, after providing Franchisor with notice of and a reasonable opportunity to cure an alleged breach hereunder. Developer must exhaust this internal dispute resolution procedure before bringing a dispute before a third party. This agreement to first attempt resolution of disputes internally will survive termination or expiration of this Agreement.

14. **Mediation**. At Franchisor's option, all claims or disputes between Franchisor and Developer or its affiliates arising out of, or in any way relating to, this Agreement or any other agreement by and between Franchisor and Developer or its affiliates, or any of the parties' respective rights and obligations arising from such agreement, which are not first resolved through the internal dispute resolution procedure sent forth in Section 13 above, must be submitted first to non-binding mediation, in or near Franchisor's then-current headquarters under the auspices of the American Arbitration Association ("AAA"), in accordance with AAA's Commercial Mediation Rules then in effect. Before commencing any legal action against Franchisor or its affiliates with respect to any such claim or dispute, Developer must submit a notice to Franchisor, which specifies, in detail, the precise nature and grounds of such claim or dispute. Franchisor will have a period of thirty (30) days following receipt of such notice within which to notify Developer as to whether Franchisor or its affiliates elects to exercise its option to submit such claim or dispute to mediation. Developer may not commence any action against Franchisor or its affiliates with respect to any such claim or dispute in any court unless Franchisor fails to exercise its option to submit such claim or dispute to mediation, or such mediation proceedings have been terminated either: (i) as the result of a written declaration of the mediator(s) that further mediation efforts are not worthwhile; or (ii) as a result of a written declaration by Franchisor. Franchisor's rights to mediation, as set forth herein, may be specifically enforced by Franchisor.

14.1 The parties will not be required to first attempt to mediate a controversy, dispute, or claim through mediation as set forth in this Section 14 if such controversy, dispute, or claim concerns an allegation that a party has violated (or threatens to violate, or poses an imminent risk of violating): (i) any federally protected intellectual property rights in the Proprietary Marks, the System, or in any confidential/proprietary information of Franchisor (as such information is defined more fully in the Franchise Agreements); (ii) any of the restrictive covenants contained in this Agreement or any other Franchise Agreements executed in connection with the Franchised Businesses opened within the Development Area; and (iii) any of Developer's payment obligations under this Agreement or any such Franchise Agreement.

14.2 This agreement to mediate will survive any termination or expiration of this Agreement. The parties agree that there will be no class action mediation and that any mediation proceeding involving Franchisor and Developer or its principals that arises out of or relates to this Agreement in any manner must be mediated in a proceeding that does not involve any other third party, including any other franchisee or licensee of Franchisor's franchise system.

15. **Injunctive Relief.** Developer acknowledges and agrees that irreparable harm could be caused to Franchisor by Developer's violation of certain provisions of this Agreement and, as such, in addition to any other relief available at law or equity, Franchisor shall be entitled to obtain in any court of competent jurisdiction, without bond, restraining orders or temporary or permanent injunctions in order to enforce, among other items, the provisions of this Agreement relating to: (i) Developer's use of the Proprietary Marks and

Franchisor's confidential information; (ii) Developer's covenant not to compete, as well as any other violations of the restrictive covenants set forth in this Agreement or any Franchise Agreement with Franchisor; (iii) Developer's obligations on termination or expiration of this Agreement; (iv) disputes and controversies based on or arising under the Lanham Act, or otherwise involving the Proprietary Marks, as now or hereafter amended; (v) disputes and controversies involving enforcement of the Franchisor's rights with respect to confidentiality under this Agreement; and (vi) prohibiting any act or omission by Developer or its employees that constitutes a violation of applicable law, threatens Franchisor's franchise system or threatens other franchisees of Franchisor. Developer's only remedy if such an injunction is entered will be the dissolution of the injunction, if appropriate, and Developer waives all damage claims if the injunction is wrongfully issued.

16. **Jurisdiction and Venue.** Subject to Sections 14 and 15 of this Agreement, the parties agree that any actions arising out of or related to this Agreement must be initiated and litigated to conclusion exclusively in the state court of general jurisdiction closest to Villa Park, Illinois or, if appropriate, the United States District Court for the Northern District of Illinois (Eastern Division) (unless settled by the parties after such action is initiated). Developer acknowledges that Franchisor may bring an action in any other court of competent jurisdiction to seek and obtain injunctive relief as set forth in Section 15 above. Developer hereby irrevocably consents to the personal jurisdiction of the state and federal courts described in this Section.

17. **Third Party Beneficiaries.** Franchisor's officers, directors, shareholders, agents and/or employees are express third party beneficiaries of this Agreement and the dispute resolution procedures contained herein, including without limitation, the right to specifically utilize and exhaust the mediation procedure with respect to any and all claims asserted against such person(s) by Developer or its principals.

18. **JURY TRIAL WAIVER.** THE PARTIES HEREBY AGREE TO WAIVE TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM, WHETHER AT LAW OR EQUITY, REGARDLESS OF WHICH PARTY BRINGS SUIT. THIS WAIVER WILL APPLY TO ANY MATTER WHATSOEVER BETWEEN THE PARTIES HERETO WHICH ARISES OUT OF OR IS RELATED IN ANY WAY TO THIS AGREEMENT, THE PERFORMANCE OF EITHER PARTY, AND/OR DEVELOPER'S PURCHASE FROM FRANCHISOR OF THE DEVELOPMENT RIGHTS DESCRIBED HEREIN.

19. **WAIVER OF CLASS ACTIONS**. THE PARTIES AGREE THAT ALL PROCEEDINGS ARISING OUT OF OR RELATED TO THIS AGREEMENT, OR THE SALE OF THE FRANCHISED BUSINESS, WILL BE CONDUCTED ON AN INDIVIDUAL, NOT A CLASS-WIDE BASIS, AND THAT ANY PROCEEDING BETWEEN DEVELOPER, DEVELOPER'S GUARANTORS AND FRANCHISOR OR ITS AFFILIATES/OFFICERS/EMPLOYEES MAY NOT BE CONSOLIDATED WITH ANY OTHER PROCEEDING BETWEEN FRANCHISOR AND ANY OTHER THIRD PARTY.

20. **Waiver of Punitive Damages.** Developer waives to the fullest extent permitted by law, any right to or claim for any punitive, exemplary, incidental, indirect, special or consequential damages (including, without limitation, lost profits) that Developer may have against Franchisor arising out of any cause whatsoever (whether such cause be based in contract, negligence, strict liability, other tort or otherwise) and agree that in the event of a dispute, Developer's recovery will be limited to actual damages. If any other term of this Agreement is found or determined to be unconscionable or unenforceable for any reason, the foregoing provisions will continue in full force and effect, including, without limitation, the waiver of any right to claim any consequential damages.

21. **Attorneys' Fees.** If either party institutes any judicial or mediation proceeding to enforce any monetary or nonmonetary obligation or interpret the terms of this Agreement and Franchisor prevails in the action or proceeding, Developer will be liable to Franchisor for all costs, including reasonable attorneys' fees and court costs, incurred in connection with such proceeding.

22. **Nonwaiver.** Franchisor's failure to insist upon strict compliance with any provision of this Agreement will not be a waiver of Franchisor's right to do so, any law, custom, usage or rule to the contrary notwithstanding. Delay or omission by Franchisor respecting any breach or default will not affect Franchisor's rights respecting any subsequent breaches or defaults. All rights and remedies granted in this Agreement will be cumulative. Franchisor's election to exercise any remedy available by law or contract will not be deemed a waiver or preclude exercise of any other remedy.

23. **Severability.** The parties agree that if any provisions of this Agreement may be construed in two ways, one of which would render the provision illegal or otherwise voidable or unenforceable and the other which would render it valid and enforceable, such provision will have the meaning, which renders it valid and enforceable. The provisions of this Agreement are severable, and this Agreement will be interpreted and enforced as if all completely invalid or unenforceable provisions were not contained herein, and partially valid and enforceable provisions will be enforced to the extent that they are valid and enforceable. If any material provision of this Agreement will be stricken or declared invalid, the parties agree to negotiate mutually acceptable substitute provisions. In the event that the parties are unable to agree upon such provisions, Franchisor reserves the right to terminate this Agreement.

24. **Construction of Language.** The language of this Agreement will be construed according to its fair meaning, and not strictly for or against either party. All words in this Agreement refer to whatever number or gender the context requires. If more than one party or person is referred to as Developer, their obligations and liabilities must be joint and several. Headings are for reference purposes and do not control interpretation.

25. **Successors**. References to "Franchisor" or "Developer" include the respective parties' successors, assigns or transferees, subject to the limitations of Section 8 of this Agreement.

26. **Additional Documentation.** Developer must, from time to time, subsequent to the date first set forth above, at Franchisor's request and without further consideration, execute and deliver such other documentation or agreements and take such other action as Franchisor may reasonably require in order to effectuate the transactions contemplated in this Agreement. In the event that Developer fails to comply with the provisions of this Section, Developer hereby appoints Franchisor as Developer's attorney-in-fact to execute any and all documents on Developer's behalf, as reasonably necessary to effectuate the transactions contemplated herein.

27. **No Right to Offset.** Developer may not withhold all or any part of any payment to Franchisor or any of its affiliates on the grounds of the alleged nonperformance of Franchisor or any of its affiliates or as an offset against any amount Franchisor or any of its affiliates may owe or allegedly owe Developer under this Agreement or any related agreements.

28. **Entire Agreement**. This Agreement contains the entire agreement between the parties concerning Developer's development rights within the Development Area; no promises, inducements or representations (other than those in the Franchise Disclosure Document) not contained in this Agreement have been made, nor will any be of any force or effect, or binding on the parties. Modifications of this Agreement must be in writing and signed by both parties. Franchisor reserves the right to change Franchisor's policies, procedures, standards, specifications or manuals at Franchisor's discretion. In the event of a conflict between this Agreement and any Franchise Agreement(s), the terms, conditions and intent of this Agreement will control. Nothing in this Agreement, or any related agreement, is intended to disclaim any of the representations Franchisor made to Developer in the Franchise Disclosure Document that Franchisor provided to Developer.

IN WITNESS WHEREOF, AND INTENDING TO BE LEGALLY BOUND HEREBY, THE PARTIES HERETO HAVE CAUSED THIS AGREEMENT TO BE EXECUTED EFFECTIVE THE DATE FIRST SET FORTH ABOVE.

PERI PERI HOLDINGS LLC

____

Print Name: _______________________________

Date: ____________________________________

DEVELOPER:

____

IF AN INDIVIDUAL:

By: ____________________________________

Print Name: _______________________________

Date: ____________________________________

Spouse Signature: __________________________

Spouse Name: _____________________________

Date: ____________________________________

IF LLC, CORPORATION, OR OTHER ENTITY:

By: ____________________________________

Print Name: _______________________________

Title: ____________________________________

Owner Signature: __________________________

Owner Name: _____________________________

Owner Signature: __________________________

Owner Name: _____________________________

Date: ____________________________________

EXHIBIT A to DEVELOPMENT AGREEMENT

DATA SHEET

1. **Development Area.** The Development Area, as referred to in Section 1 of the Development Agreement, is described below (or an attached map) by geographic boundaries and will consist of the following area or areas:

____

____.

2. **Development Schedule.** The Development Schedule referred to in Section 5 of the Development Agreement is as follows:

Expiration of Development Period (each, a "Development Period")	**# of New Franchised Businesses Opened Within Development Period**	**Cumulative # of Franchised Businesses that Must Be Open and Operating**
___ Months from Effective Date	1	1
___ Months from Effective Date	1	2
___ Months from Effective Date	1	3
___ Months from Effective Date	1	4
___ Months from Effective Date	1	5

3. **Development Fee**. The Development Fee that is due and payable to Franchisor immediately upon execution of this Agreement shall be $___________________.

THE REST OF THIS PAGE HAS BEEN LEFT INTENTIONALLY BLANK
SIGNATURES ON THE FOLLOWING PAGE

APPROVED AND ACCEPTED BY:

PERI PERI HOLDINGS LLC

____

Print Name: ___________________________

Date: _______________________________

DEVELOPER

____
(Individual, Partnership or Corporation Name)

By: ________________________________

Title: _______________________________

Date: _______________________________

EXHIBIT D
FINANCIAL STATEMENTS

PERI PERI HOLDINGS, LLC
(an Illinois Limited Liability Company)

FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2020

CONTENTS

SCHULTZ & CHEZ, L.L.P.
Certified Public Accountants

141 W. Jackson Boulevard, Suite 2900
Chicago, Illinois 60604
Main: (312) 332-1912

INDEPENDENT AUDITOR'S REPORT

To the Members of
PERI PERI HOLDINGS, LLC

We have audited the accompanying financial statements of PERI PERI HOLDINGS, LLC, which comprise the balance sheet as of December 31, 2020, and the related statements of operations, changes in 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 these 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 audit. We conducted our audit 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 of 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 PERI PERI HOLDINGS, LLC as of December 31, 2020, and the results of their operations and cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Schultz & Chez, LLP

Chicago, Illinois
September 8, 2021

PERI PERI HOLDINGS LLC

Balance Sheet

December 31, 2020

Assets

Cash	$	14,733
Accounts receivables, net of reserve for doubtful accounts		157,105
Inventory		150,902
Furniture, equipment and software-net of accumulated depreciation and amortization of $13,044		39,773
TOTAL ASSETS	$	362,513

Liabilities and Members' Equity

Liabilities:		
Accounts payable and accrued expenses	$	129,956
Total liabilities		129,956
MEMBERS' EQUITY		232,557
TOTAL LIABILITIES AND MEMBERS' EQUITY	$	362,513

See accompanying notes.

PERI PERI HOLDINGS LLC

Statement of Operations

Year Ended December 31, 2020

Revenues	
Sales	$ 905,147
Total revenue	905,147
Cost of sales	
Purchases	788,714
Freight	12,941
Total cost of sales	801,655
Gross profit	103,492
Expenses	
Advertising and promotion	14,595
Travel	27,806
Rent	19,437
Professional fees	101,435
Office supplies	4,641
Insurance	17,881
Subcontractors	12,739
Depreciation and amortization	9,549
Other	9,176
Total expenses	217,259
NET INCOME	$ (113,767)

See accompanying notes.

PERI PERI HOLDINGS LLC

Statement of Changes in Members' Equity

Year Ended December 31, 2020

Balance, December 31, 2019	$	218,695
Capital contributions		3,000,000
Capital withdrawals		(2,872,371)
Net income		(113,767)
Balance, December 31, 2020	$	232,557

See accompanying notes.

PERI PERI HOLDINGS LLC

Statement of Cash Flows

Year Ended December 31, 2020

OPERATING ACTIVITIES		
Net income	$	(113,767)
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization expense		9,549
(Increase) decrease in operating assets:		
Accounts receivable, net		34,426
Inventory		(101,985)
Increase (decrease) in operating liabilities:		
Accounts payable and accrued expenses		90,008
Net cash provided by operating activities		(81,769)
INVESTING ACTIVITIES		
Purchases of furniture, equipment and software		(40,516)
Net cash used in financing activities		(40,516)
FINANCING ACTIVITIES		
Member contributions		3,000,000
Member withdrawals		(2,872,371)
Net cash used in financing activities		127,629
Net increase (decrease) in cash and cash equivalents		5,344
CASH - BEGINNING OF YEAR		9,389
CASH - END OF YEAR	$	14,733
Supplemental cash flow information:		
Cash payments for interest	$	-
Cash payments for income taxes	$	-

See accompanying notes.

PERI PERI HOLDINGS, LLC
(a Delaware Limited Liability Company)

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2020

(1) *ORGANIZATION AND NATURE OF BUSINESS*

PERI PERI HOLDINGS, LLC (the Company) was organized and commenced operations on January 16, 2019 as an Illinois Limited Liability Company. The Company is a franchisor of The Port of Peri Peri restaurants. In addition, the Company specializes in providing peri peri spices and secret sauces which all franchisees are required to purchase from the Company.

(2) *SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES*

Accounting Policies
The Company follows the single source of authoritative U.S. generally accepted accounting principles (GAAP) set by the Financial Accounting Standards Board to be applied by nongovernmental entities, *Accounting Standards Codification* (ASC), in the preparation of their financial statements.

Use of Estimates
The preparation of financial statements in conformity with generally accepted accounting principles includes the use of estimates that affect the financial statements. Accordingly, actual results could differ from those estimates.

Accounting for Uncertainty in Income Taxes
ASC 740-10-50, "Accounting for Uncertainty in Income Taxes", provides guidance regarding how uncertain tax positions should be recognized, measured, presented and disclosed in the financial statements. ASC 740-10-50 requires the evaluation of tax positions taken or expected to be taken in the course of preparing the Company's tax return to determine whether its tax positions are "more-likely-than-not" of being sustained by the applicable tax authority. The Company has not identified any uncertain tax positions as of December 31, 2020.

Comprehensive Income
The Company has not presented a Statement of Comprehensive Income because it does not have any items of "other comprehensive income".

Inventory
Inventory consists primarily of spices and is recorded at the lower of cost or net realizable value using the FIFO (first-in, first-out) method.

Furniture and equipment
Furniture and equipment are recorded at cost and are depreciated using an accelerated method over their estimated useful lives.

Revenue recognition
The Company's revenue is derived primarily from franchise and royalty fees and the sale of spices and recognizes revenue when the goods and services to the customers in an amount that reflects the consideration to which the Company is entitled in exchange for those services and goods. The Company's adoption of Topic 606 resulted in a change to the timing of revenue recognition The satisfaction of the Company's performance obligation is based upon transfer of control over the product or services to the customer which results in sales being recognized upon shipment rather than upon delivery.

(3) INCOME TAXES

No provision has been made for income taxes as the taxable income or loss of the Company is included in the income tax return of the members.

(4) CONCENTRATIONS OF CREDIT RISK

At December 31, 2020, the Company had accounts receivables, of $ 157,105 which the management believes are fully collectible.

(5) RELATED PARTY TRANSACTIONS

The Company is party to a verbal rental agreement with an affiliated entity and paid $19,437 rent in 2020.

(6) RECENTLY ISSUED ACCOUNTING STANDARDS

For the year ending December 31, 2020, various Accounting Standards Updates issued by the FASB were either newly issued or had effective implementation dates that would require their provisions to be reflected in the financial statements for the year then ended. The Company has either evaluated or is currently evaluating the implications, if any, of each of these pronouncements and the possible impact they may have on the Company's financial statements. In most cases, management has determined that the pronouncement has either limited or no application to the Company and, in all cases, implementation would not have a material impact on the financial statements taken as a whole.

(7) SUBSEQUENT EVENTS

The Company has evaluated subsequent events through September 8, 2021, which is the date the financial statements were available to be issued. No events have occurred from the date of the financial statements to September 8, 2021, which would require adjustments to or disclosure in the accompanying financial statements.

PERI PERI HOLDINGS LLC
AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31 2019

PERI PERI HOLDINGS LLC

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INDEPENDENT ACCOUNTANT'S REPORT

The Partners
Peri Peri Holdings LLC
100 E Roosevelt Road
Villa Park-IL-60181

We have audited the accompanying balance sheet of Peri Peri Holdings LLC as of December 31, 2019 and the related statement of income, and cash flow for the Period then ended, and the related notes to the financial statement.

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 the financial statements that are free from material misstatement, whether due to fraud or error.

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit 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 of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the 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 statement.

Ghalib & Co.
CERTIFIED PUBLIC ACCOUNTANTS

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

In our opinion, the financial statements referred to previously present fairly, in all material respects, the financial position of Peri Peri Holdings LLC as of December 31, 2019, and the results of its operations and its cash flows for the period then ended in conformity with accounting principles generally accepted in the United States of America.

M. Ghalib

Mohammad Ghalib CPA

September 28,2020

Chicago, Illinois

2545 W. Peterson Ave. Suite 103, Chicago IL-60659, Tel: 773-271-2500
Fax: 773-944-0781, Email: Ghalibco@gmail.com

PERI PERI HOLDINGS LLC

BALANCE SHEET
AS OF DECEMBER 31, 2019

ASSETS

Current Assets		
Cash and Bank	$	9,389
Accounts and other receivable-Net off doubtful debts	$	191,531
Inventory	$	48,917
Total Current Assets	$	249,837
Other Assets		
Other Investment	$	3,200,000
	$	3,200,000
Fixed Assets		
Equipments		8,806
Total Assets	$	3,458,643

LIABILITIES & CAPITAL

Current Liabilities		
Accounts Payable		39,948
Total Current Liabilities		39,948
Capital Account		
Initial Capital		100
Net Income		218,595
Partners Capital Account		
Perifection LLC		1,122,701
Table Spread Ventures Capital LLc		2,077,299
Total Liablities and Stockholder's Equity	$	3,458,643

See accompanying notes and Accountants Audit Report

PERI PERI HOLDINGS LLC

INCOME STATEMENT
FOR THE YEAR ENDED DECEMBER 31,2019

Sales	$	794,236
Cost of Sales		438,742
		355,494
General & Administrative Expenses		136,899
Net Income Before Taxation		218,595

PERI PERI HOLDINGS LLC
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31,2019

CASH FLOW FROM OPERATING ACTIVITIES		
Net Income		$ 218,595
Adjustment to reconcile net income to net cash provided by operating activities:		
Changes in operating assets and liablities:		(200,500)
	NET CASH PROVIDED BY OPERATING ACTIVITIES	18,095
INVESTING ACTIVITIES		
Equipments		(8,806)
Other Investment- MPower venture LLC		(2,900,000)
Other Investment- Portos Villa Park LLC		(300,000)
	NET CASH PROVIDED BY INVESTING ACTIVITIES	(3,208,806)
CASH FLOWS FROM FINANCING ACTIVITIES		
Cash Provided by:		
Partners Contribution		100
Perifection LLC		1,122,701
Table Spread Ventures LLC		2,077,299
	NET CASH PROVIDED BY FINANCING ACTIVITIES	3,200,100
NET INCREASE (DECREASE) IN CASH		9,389
CASH AT THE BEGINNING OF THE YEAR		-
	CASH AT THE END OF THE YEAR	$ 9,389

See accompanying notes and Accountant's Audit report

PERI PERI HOLDINGS LLC
GENERAL AND ADMINISTRATIVE EXPENSES
FOR THE YEAR ENDED DECEMBER 31,2019

GENERAL AND ADMINISTRATIVE EXPENSES

Advertising and Promotion	$	146.00
Bank Service Charges		298
Donation		5,000
Insurance Expenses		12,824
Legal and Professional Charges		83,042
Miscellaneous Expense		605
Office Supplies		444
Payroll Expense		3,004
Printing and stationary		50
Quick Books Payment Fees		2,000
Rent Expense		6,400
Repair and Maintenance		6,530
Software Expenses		9,900
Bad Debt Expenses		5,811
Internet		845
		136,899

PERI PERI HOLDINGS LLC
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31 2019

NOTE A – NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES
Nature of Activities:

Peri Peri Holdings LLC, was formed as an LLC on January 16, 2019 under the law of the State of Illinois, and has its headquarters in Villa Park. The Company is the owner of the secret spice, blends and all recipes used by The Port of Peri Peri restaurants nationwide. The Company is the sole distributor of salts, sauces, and other spices to the Port of Peri Peri restaurants. The Company is looking to expand their products lines in the near future to distribute products beyond the spices and sauces on which they currently concentrate. .

Basis of Presentation:

The accompanying Financial Statements have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles. A summary of significant accounting policies followed by the Company is set-forth below:

Revenue and Expenses Recognition:

The revenue is recognized and recorded when invoiced and goods are dispatched and expenses are recognized and recorded when incurred.

Property and equipment:
Property and equipment are recorded at cost and being depreciated using the straight-line method over the estimated useful life.

Inventory:
Inventory is valued at Cost or market value which ever is lower using the FIFO method.

Investments:
Investments are valued at cost.

Taxation:
No provision for taxation has been made in the accounts as it is an LLC and as per the IRS regulations it is taxed at partner's level.

NOTE B – CASH

Cash consist of the following:		
Checking Account	$	9,388.00
	$	9,388.00

NOTE C – ACCOUNT RECEIVABLE

Account Receivable consists of following:

Receivable from customer	$	197,342.00
Less: Allowance for doubtful debts		5,811.00
		191,531.00

NOTE D- OTHER INVESTMENT

During the year the company has invested in the Following entities as part of its business plan:

MPower Ventures LLC	$	2,900,000.00
Porto's Villa Park LLC		300,000.00
		3,200,000.00

NOTE D – ACCOUNTS PAYABLE

For Goods	$	39,948.00
		39,948.00

NOTE E- PARTNERS CAPITAL ACCOUNT

Perifection LLC	$	1,122,701.00
Table Spread Ventures Capital LLC		2,077,299.00
		3,200,000.00

The capital contributions by both the partners are unrestricted.

As of the date of issuance of these financial statements, Perifection LLC is the present member and manager of Peri Peri Holdings LLC and Table spread Ventures Capital LLC is the past member.

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

PERI PERI HOLDINGS LLC
STATEMENT OF INCOME
3 Quarters Ended Sep 30, 2021

	Sep 30, 2021
Revenue	
Sales	$ 476,434.07
Total Revenue	**476,434.07**
Cost of Goods Sold	
Merchant Account Fees	8,888.28
Purchases	459,732.94
Shipping Expense	45.00
Total Cost of Goods Sold	**468,666.22**
Gross Profit	**7,767.85**
Operating Expenses	
Advertising and Promotion	24,950.19
Bank Service Charges	508.00
Computer and Internet Expenses	5,450.00
Insurance Expense	20,386.64
Meals & Entertainment	789.90
Office Supplies	178.07
Payroll Expenses	113,499.65
Professional Fees	30,782.49
Rent Expense	19,613.27
Repairs and Maintenance	4,469.46
Subcontractor	4,150.00
Telephone Expense	3,147.06
Uniforms	3,456.00
Total Operating Expenses	**231,380.73**
Operating Income (Loss)	**(223,612.88)**
Other Income	
Rebate Revenue	206,277.25
Total Other Income	**206,277.25**
Other Expenses	
Total Other Expenses	**0.00**
Income (Loss) Before Income Taxes	**(17,335.63)**
Income Tax	
Net Income (Loss)	**$ (17,335.63)**

PERI PERI HOLDINGS LLC
BALANCE SHEET
Sep 30, 2021

Assets

	2021
Current Assets	
CHASE # 6086	$ 831.10
CHASE #1103	847.22
Food Inventory	11,245.00
Total Current Assets	**12,923.32**
Property and Equipment	
Accumulated Depreciation	(13,005.00)
Equipment	7,411.24
Furniture and Equipment	41,867.33
Software	3,500.00
Total Property and Equipment	**39,773.57**
Other Assets	
Peri Peri Brand	2,900,000.00
Peri Peri Villa Park	300,000.00
Total Other Assets	**3,200,000.00**
Total Assets	**$ 3,252,696.89**

Liabilities and Stockholders' Equity

	2021
Current Liabilities	
Payroll Liabilities	$ 4,381.51
Total Current Liabilities	**4,381.51**
Long-Term Liabilities	
Total Long-Term Liabilities	**0.00**
Total Liabilities	**4,381.51**
Stockholders' Equity	
Member 1 Equity	100.00
Retained Earnings	(62,077.66)
ShareHolder Contributions	3,327,628.67
Net Income	(17,335.63)
Total Stockholders' Equity	**3,248,315.38**
Total Liabilities and Stockholders' Equity	**$ 3,252,696.89**

EXHIBIT E
TABLE OF CONTENTS FOR FRANCHISE MANUAL

THE PORT OF PERI PERI

THE PORT OF PERI PERI FRANCHISE MANUAL

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EXHIBIT F
LIST OF CURRENT AND FORMER FRANCHISEES

CURRENT FRANCHISEES AS OF DECEMBER 31, 2020

Franchisee	State	Street	City	Zip	Phone Number
Adeel Siddiqui	CA	3283 Walnut Ave.	Fremont	94538	(510) 256-9901
Adeel Siddiqui	CA	340 California Ave.	Palo Alto	94306	(650) 382-2239
Amjed Memon	IL	4915 Oakton Street	Skokie	60077	(847) 675-5000
Rameez Hassan	IL	226 Peterson Road	Libertyville	60048	(224) 424-4368
Sedat Dilek	IL	4151 McCoy Drive #151	Aurora	60504	(630) 701-2193
Khurrum Sandhu	IL	1663 N Buffalo Grove Road	Buffalo Grove	60089	(847) 383-5689
Amjed Memon	IL	1419 W Taylor Street	Chicago	60607	(312) 374-1912
Sedat Dilek	IL	760 S Weber Road	Bolingbrook	60490	(630) 410-8240
Munwar Mohammed	IL	1800 Randal Road	Algonquin	60102	(224) 333-0893
Khaleelur Zakariya	IN	7130 Heritage Square Drive	Granger	46530	(574) 222-2247
Syed Wajih Bilal	TX	5005 S Cooper Street	Arlington	76017	(682) 252-4155
Rizwan Ghanchi	TX	2625 Town Center Blvd.	Sugarland	77479	(832) 843-6092
Syed Wajih Bilal	TX	2301 Central Expressway Suite 165	Plano	75075	(972) 423-3440
Syed Wajih Bilal	TX	3311 Preston Road	Frisco	75034	(214) 407-8655
Syed Wajih Bilal	TX	1800 Marketplace Boulevard	Irving	75063	(469) 372-6883

* This symbol represents franchisees that also have area development rights.

FRANCHISEES WHO CEASED OPERATIONS DURING THE PREVIOUS FISCAL YEAR, OR WHO FAILED TO COMMUNICATE WITH US DURING THE PAST 10 WEEKS

Franchisee	State	Street	City	Zip	Phone Number
Fahim Munawar	IL	927 S Roselle Road	Schaumberg	94538	(312) 852-5885
Syed W Bial	TX	5005 South Cooper Street	Arlington	76017	(682) 252-4155
Riaz Ameerudding	IN	3634 Prairie Drive	Dryer	46311	(847) 644-6940

FRANCHISEES WITH A SIGNED FRANCHISE AGREEMENT BUT THE OUTLET WAS NOT OPEN AS OF DECEMBER 31, 2020

Franchisee	State	Street	City	Zip	Phone Number
Irshad Ghori	MI	5 Orchard Lake Road	West Bloomfield	48322	(312) 391-4898
Sajid Patel	TX	10850 Louetta Road, Suite 700	Houston	77070	(832) 800-1690

EXHIBIT G
STATE ADDENDA

CALIFORNIA ADDENDUM TO DISCLOSURE DOCUMENT

California Corporations Code, Section 31125 requires the franchisor to give the franchisee a disclosure document, approved by the Department of Financial Protection and Innovation, prior to a solicitation of a proposed material modification of an existing franchise.

THE CALIFORNIA FRANCHISE INVESTMENT LAW REQUIRES THAT A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE BE DELIVERED TOGETHER WITH THE OFFERING CIRCULAR.

OUR WEBSITE HAS NOT BEEN REVIEWED OR APPROVED BY THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION. ANY COMPLAINTS CONCERNING THE CONTENT OF THIS WEBSITE MAY BE DIRECTED TO THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION AT WWW.DFPI.CA.GOV.

THESE FRANCHISES HAVE BEEN REGISTERED UNDER THE FRANCHISE INVESTMENT LAW OF THE STATE OF CALIFORNIA. SUCH REGISTRATION DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT BY THE COMMISSIONER OF FINANCIAL PROTECTION AND INNOVATION NOR A FINDING BY THE COMMISSIONER THAT THE INFORMATION PROVIDED HEREIN IS TRUE, COMPLETE AND NOT MISLEADING.

ALL THE OWNERS OF THE FRANCHISE WILL BE REQUIRED TO EXECUTE PERSONAL GUARANTEES. THIS REQUIREMENT PLACES THE MARITAL ASSETS OF THE SPOUSES DOMICILED IN COMMUNITY PROPERTY STATES – ARIZONA, CALIFORNIA, IDAHO, LOUISIANA, NEVADA, NEW MEXICO, TEXAS, WASHINGTON AND WISCONSIN AT RISK IF YOUR FRANCHISE FAILS.

1. The following paragraph is added to the end of Item 3 of the Disclosure Document:

Neither franchisor nor any person or franchise broker in Item 2 of this disclosure document is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities Exchange Act of 1934, 15 U.S.C.A. 78a et seq., suspending or expelling such persons from membership in that association or exchange.

2. The following paragraph is added to the end of Item 5 of the Disclosure Document:

    The Department of Financial Protection and Innovation requires that the franchisor defer the collection of all initial fees from California franchisees until the franchisor has completed all its pre-opening obligations and franchisee is open for business.

3. The following paragraph is added to the end of Item 6 of the Disclosure Document:

With respect to the Late Fee described in Item 6, this Item is amended to disclose that the maximum rate of interest permitted under California law is 10%.

4. The following paragraphs are added at the end of Item 17 of the Disclosure Document:

The Franchise Agreement requires franchisee to sign a general release of claims upon renewal or transfer of the Franchise Agreement. California Corporations Code Section 31512 provides that any condition, stipulation or provision purporting to bind any person acquiring a franchise to waive compliance with any provision of that law or any rule or order thereunder is void.

California Business and Professions Code Sections 20000 through 20043 provide rights to the franchisee concerning termination, transfer, or non-renewal of a franchise. If the Franchise Agreement contains a provision that is inconsistent with the law, the law will control.

The Franchise Agreement provides for termination upon bankruptcy. This provision may not be enforceable under federal bankruptcy law (11 U.S.C.A. Sec. 101 et seq.).

The Franchise Agreement contains a covenant not to compete which extends beyond the termination of the franchise. This provision may not be enforceable under California law.

The Franchise Agreement requires binding arbitration. The arbitration will occur in Villa Park, Illinois, with the costs being borne equally by Franchisor and Franchisee. Prospective franchisees are encouraged to consult private legal counsel to determine the applicability of California and federal laws (such as Business and Professions Code Section 20040.5, Code of Civil Procedure Section 1281, and the Federal Arbitration Act) to any provisions of a franchise agreement restricting venue to a forum outside the State of California.

The Franchise Agreement requires application of the laws of Illinois. This provision may not be enforceable under California law.

ILLINOIS ADDENDUM TO THE DISCLOSURE DOCUMENT

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

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

Illinois law governs the agreements between the parties to this franchise.

Section 4 of the Illinois Franchise Disclosure Act provides that any provision in a franchise agreement that designates jurisdiction of venue outside the State of Illinois is void. However, a franchise agreement may provide for arbitration outside of Illinois.

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

Your rights upon termination and non-renewal of a franchise agreement are set forth in sections 19 and 20 of the Illinois Franchise Disclosure Act.

MARYLAND ADDENDUM TO THE DISCLOSURE DOCUMENT

To the extent the Maryland Franchise Registration and Disclosure Law, Md. Code Bus. Reg. §§14-201 – 14-233 applies, the terms of this Addendum apply.

The following is added to Item 5:

Due to our financial condition, the Maryland Attorney General's Office requires that the payment of initial fees be deferred until such time as the franchisor completes its pre-opening obligations under the Franchise Agreement and the franchise is open for business. In addition, all development fees and initial payments by area developers shall be deferred until the first franchise under the development agreement opens.

The following is added to Item 17:

Our termination of the Franchise Agreement because of your bankruptcy may not be enforceable under applicable federal law (11 U.S.C.A. 101 et. seq.).

You may bring a lawsuit in Maryland for claims arising 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 general release required as a condition of renewal, sale and/or assignment/transfer will not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

ADDITIONAL COVER PAGE
FOR THE STATE OF MICHIGAN

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

(A) A PROHIBITION ON THE RIGHT OF A FRANCHISEE TO JOIN AN ASSOCIATION OF FRANCHISEES.

(B) A REQUIREMENT THAT A FRANCHISEE ASSENT TO A RELEASE, ASSIGNMENT, NOVATION, WAIVER, OR ESTOPPEL WHICH DEPRIVES A FRANCHISEE OF RIGHTS AND PROTECTIONS PROVIDED IN THIS ACT. THIS SHALL NOT PRECLUDE A FRANCHISEE, AFTER ENTERING INTO A FRANCHISE AGREEMENT, FROM SETTLING ANY AND ALL CLAIMS.

(C) A PROVISION THAT PERMITS A FRANCHISOR TO TERMINATE A FRANCHISE PRIOR TO THE EXPIRATION OF ITS TERM EXCEPT FOR GOOD CAUSE. GOOD CAUSE SHALL INCLUDE THE FAILURE OF THE FRANCHISEE TO COMPLY WITH ANY LAWFUL PROVISION OF THE FRANCHISE AGREEMENT AND TO CURE SUCH FAILURE AFTER BEING GIVEN WRITTEN NOTICE THEREOF AND A REASONABLE OPPORTUNITY, WHICH IN NO EVENT NEED BE MORE THAN 30 DAYS, TO CURE SUCH FAILURE.

(D) A PROVISION THAT PERMITS A FRANCHISOR TO REFUSE TO RENEW A FRANCHISE WITHOUT FAIRLY COMPENSATING THE FRANCHISEE BY REPURCHASE OR OTHER MEANS FOR THE FAIR MARKET VALUE AT THE TIME OF EXPIRATION, OF THE FRANCHISEE'S INVENTORY, SUPPLIES, EQUIPMENT, FIXTURES, AND FURNISHINGS. PERSONALIZED MATERIALS WHICH HAVE NO VALUE TO THE FRANCHISOR AND INVENTORY, SUPPLIES, EQUIPMENT, FIXTURES, AND FURNISHINGS NOT REASONABLY REQUIRED IN THE CONDUCT OF THE FRANCHISE BUSINESS ARE NOT SUBJECT TO COMPENSATION. THIS SUBSECTION APPLIES ONLY IF: (I) THE TERM OF THE FRANCHISE IS LESS THAN 5 YEARS; AND (II) THE FRANCHISEE IS PROHIBITED BY THE FRANCHISE OR OTHER AGREEMENT FROM CONTINUING TO CONDUCT SUBSTANTIALLY THE SAME BUSINESS UNDER ANOTHER TRADEMARK, SERVICE MARK, TRADE NAME, LOGOTYPE, ADVERTISING, OR OTHER COMMERCIAL SYMBOL IN THE SAME AREA SUBSEQUENT TO THE EXPIRATION OF THE FRANCHISE OR THE FRANCHISEE DOES NOT RECEIVE AT LEAST 6 MONTHS ADVANCE NOTICE OF FRANCHISOR'S INTENT NOT TO RENEW THE FRANCHISE.

(E) A PROVISION THAT PERMITS THE FRANCHISOR TO REFUSE TO RENEW A FRANCHISE ON TERMS GENERALLY AVAILABLE TO OTHER FRANCHISEES OF THE SAME CLASS OR TYPE UNDER SIMILAR CIRCUMSTANCES. THIS SECTION DOES NOT REQUIRE A RENEWAL PROVISION.

(F) A PROVISION REQUIRING THAT ARBITRATION OR LITIGATION BE CONDUCTED OUTSIDE THIS STATE. THIS SHALL NOT PRECLUDE THE FRANCHISEE FROM ENTERING INTO AN AGREEMENT, AT THE TIME OF ARBITRATION, TO CONDUCT ARBITRATION AT A LOCATION OUTSIDE THIS STATE.

(G) A PROVISION WHICH PERMITS A FRANCHISOR TO REFUSE TO PERMIT A TRANSFER OF OWNERSHIP OF A FRANCHISE, EXCEPT FOR GOOD CAUSE. THIS SUBDIVISION DOES NOT PREVENT A FRANCHISOR FROM EXERCISING A RIGHT OF FIRST REFUSAL TO PURCHASE THE FRANCHISE. GOOD CAUSE SHALL INCLUDE, BUT IS NOT LIMITED TO:

(I) THE FAILURE OF THE PROPOSED TRANSFEREE TO MEET THE FRANCHISOR'S THEN CURRENT REASONABLE QUALIFICATIONS OR STANDARDS.

(II) THE FACT THAT THE PROPOSED TRANSFEREE IS A COMPETITOR OF THE FRANCHISOR OR SUBFRANCHISOR.

(III) THE UNWILLINGNESS OF THE PROPOSED TRANSFEREE TO AGREE IN WRITING TO COMPLY WITH ALL LAWFUL OBLIGATIONS.

(IV) THE FAILURE OF THE FRANCHISEE OR PROPOSED TRANSFEREE TO PAY ANY SUMS OWING TO THE FRANCHISOR OR TO CURE ANY DEFAULT IN THE FRANCHISE AGREEMENT EXISTING AT THE TIME OF THE PROPOSED TRANSFER.

(H) A PROVISION THAT REQUIRES THE FRANCHISEE TO RESELL TO THE FRANCHISOR ITEMS THAT ARE NOT UNIQUELY IDENTIFIED WITH THE FRANCHISOR. THIS SUBDIVISION DOES NOT PROHIBIT A PROVISION THAT GRANTS TO A FRANCHISOR A RIGHT OF FIRST REFUSAL TO PURCHASE THE ASSETS OF A FRANCHISE ON THE SAME TERMS AND CONDITIONS AS A BONA FIDE THIRD PARTY WILLING AND ABLE TO PURCHASE THOSE ASSETS, NOR DOES THIS SUBDIVISION PROHIBIT A PROVISION THAT GRANTS THE FRANCHISOR THE RIGHT TO ACQUIRE THE ASSETS OF A FRANCHISE FOR THE MARKET OR APPRAISED VALUE OF SUCH ASSETS IF THE FRANCHISEE HAS BREACHED THE LAWFUL PROVISIONS OF THE FRANCHISE AGREEMENT AND HAS FAILED TO CURE THE BREACH IN THE MANNER PROVIDED IN SUBDIVISION (C).

(I) A PROVISION WHICH PERMITS THE FRANCHISOR TO DIRECTLY OR INDIRECTLY CONVEY, ASSIGN, OR OTHERWISE TRANSFER ITS OBLIGATIONS TO FULFILL CONTRACTUAL OBLIGATIONS TO THE FRANCHISEE UNLESS PROVISION HAS BEEN MADE FOR PROVIDING THE REQUIRED CONTRACTUAL SERVICES.

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.

AS TO ANY STATE LAW DESCRIBED IN THIS ADDENDUM THAT DECLARES VOID OR UNENFORCEABLE ANY PROVISION CONTAINED IN THE FRANCHISE AGREEMENT, FRANCHISOR RESERVES THE RIGHT TO CHALLENGE THE ENFORCEABILITY OF THE STATE LAW BY, AMONG OTHER THINGS, BRINGING AN APPROPRIATE LEGAL ACTION OR BY RAISING THE CLAIM IN A LEGAL ACTION OR ARBITRATION THAT YOU HAVE INITIATED.

MINNESOTA ADDENDUM TO THE DISCLOSURE DOCUMENT

To the extent Minnesota Franchise Act, Minn. Stat. §§80C.01 – 80C.22 applies, the terms of this Addendum apply

State Cover Page and Item 17, Additional Disclosures:

Minnesota Statutes, Section 80C.21 and Minnesota Rules 2860.4400(J) prohibit the franchisor from requiring litigation to be conducted outside Minnesota, requiring waiver of a jury trial, or requiring the franchisee to consent to liquidated damages, termination penalties or judgment notes. In addition, nothing in the Franchise Disclosure Document or agreement(s) can abrogate or reduce (1) any of the franchisee's rights as provided for in Minnesota Statutes, Chapter 80C or (2) franchisee's rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.

Franchisee cannot consent to the franchisor obtaining injunctive relief. The franchisor may seek injunctive relief.

Item 6, Additional Disclosure:

NSF checks are governed by Minn. State. 604.113, which puts a cap of $30 on service charges.

Item 13, Additional Disclosures:

The Minnesota Department of Commerce requires that a franchisor indemnify Minnesota Franchisees against liability to third parties resulting from claims by third parties that the franchisee's use of the franchisor's trademark infringes upon the trademark rights of the third party. The franchisor does not indemnify against the consequences of a franchisee's use of a franchisor's trademark except in accordance with the requirements of the franchise agreement, and as the condition to an indemnification, the franchisee must provide notice to the franchisor of any such claim immediately and tender the defense of the claim to franchisor. If the franchisor accepts tender of defense, the franchisor has the right to manage the defense of the claim, including the right to compromise, settle or otherwise resolve the claim, or to determine whether to appeal a final determination of the claim.

Item 17, Additional Disclosures:

Any condition, stipulation or provision, including any choice of law provision, purporting to bind any person who, at the time of acquiring a franchise is a resident of the State of Minnesota or in the case of a partnership or corporation, organized or incorporated under the laws of the State of Minnesota or in the case of a partnership or corporation, organized or incorporated under the laws of the State of Minnesota, or purporting to bind a person acquiring any franchise to be operated in the State of Minnesota to waive compliance or which has the effect of waiving compliance with any provision of the Minnesota Franchise Law is void.

We will comply with Minn. Stat. Sec. 80C.14. subds 3,4 and 5, which requires, except in certain specified cases, that a franchisee be given 90 days notice of termination (with 60 days to cure), 180 days notice for nonrenewal of the Franchise Agreement, and that consent to the transfer of the franchise will not be unreasonably withheld.

Minnesota Rule 2860.4400D prohibits a franchisor from requiring a franchisee to assent to a general release, assignment, novation, or waiver that would relieve any person from liability imposed by Minnesota Statute §§80C.17, subd. 5.

NEW YORK ADDENDUM TO THE DISCLOSURE DOCUMENT

IN THE STATE OF NEW YORK ONLY, THIS DISCLOSURE DOCUMENT IS AMENDED AS FOLLOWS:

1. 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, 120 BROADWAY, 23RD FLOOR, NEW YORK, NEW YORK 10271. THE FRANCHISOR MAY, IF IT CHOOSES, NEGOTIATE WITH YOU ABOUT ITEMS COVERED IN THE FRANCHISE DISCLOSURE DOCUMENT. HOWEVER, THE FRANCHISOR CANNOT USE THE NEGOTIATING PROCESS TO PREVAIL UPON A PROSPECTIVE FRANCHISEE TO ACCEPT TERMS WHICH ARE LESS FAVORABLE THAN THOSE SET FORTH IN THIS FRANCHISE DISCLOSURE DOCUMENT.

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

Except as provided above, with regard to the franchisor, its predecessor, a person identified in Item 2, or an affiliate offering franchises under the franchisor’s principal trademark:

A. No such party has an administrative, criminal or civil action pending against that person alleging: a felony, a violation of a franchise, antitrust, or securities law, fraud, embezzlement, fraudulent conversion, misappropriation of property, unfair or deceptive practices, or comparable civil or misdemeanor allegations.

B. No such party has pending actions, other than routine litigation incidental to the business, which are significant in the context of the number of franchisees and the size, nature or financial condition of the franchise system or its business operations.

C. No such party has been convicted of a felony or pleaded nolo contendere to a felony charge or, within the 10 year period immediately preceding the application for registration, has been convicted of or pleaded nolo contendere to a misdemeanor charge or has been the subject of a civil action alleging: violation of a franchise, antifraud, or securities law; fraud; embezzlement; fraudulent conversion or misappropriation of property; or unfair or deceptive practices or comparable allegations.

D. No such party is subject to a currently effective injunctive or restrictive order or decree relating to the franchise, or under a Federal, State, or Canadian franchise, securities, antitrust, trade regulation or trade practice law, resulting from a concluded or pending action or proceeding brought by a public agency; or is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities and Exchange Act of 1934, suspending or expelling such person from membership in such association or exchange; or is subject to a currently effective injunctive or restrictive order relating to any other business activity as a result of an action brought by a public agency or department, including, without limitation, actions affecting a license as a real estate broker or sales agent.

3. The following is added to the end of Item 4:

Neither the franchisor, its affiliate, its predecessor, officers, or general partner during the 10-year period immediately before the date of the offering circular: (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.

4. 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.

5. 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.

6. 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.

7. 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.

8. 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.

9. The following is added to the end of Item 19:

REPRESENTATIONS REGARDING EARNINGS CAPABILITY

PERI PERI HOLDINGS, LLC DOES NOT FURNISH OR AUTHORIZE ITS SALESPERSONS TO FURNISH ANY ORAL OR WRITTEN INFORMATION CONCERNING THE ACTUAL OR POTENTIAL SALES, COSTS, INCOME OR PROFITS OF A FRANCHISE. ACTUAL RESULTS VARY FROM UNIT TO UNIT AND PERI PERI HOLDINGS LLC CANNOT ESTIMATE THE EARNINGS OF ANY PARTICULAR FRANCHISE.

VIRGINIA ADDENDUM TO THE DISCLOSURE DOCUMENT

In the Commonwealth of Virginia only, this Disclosure Document is amended as follows:

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

Additional Disclosure: the following statements are added to Item 17.h.

Pursuant to Section 13.1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to cancel a franchise without reasonable cause. If any grounds for default or termination stated in the Franchise Agreement does not constitute "reasonable cause," as that term may be defined in the Virginia Retail Franchising Act or the laws of Virginia, that provision may not be enforceable.

Under Section 13.1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to use undue influence to induce a franchisee to surrender any right given to him under the franchise. If any provision of the Franchise Agreement involves the use of undue influence by the franchisor to induce a franchisee to surrender any rights given to the franchisee under the franchise, that provision may not be enforceable.

Item 17(t) is amended to read as follows:

Only the terms of the Franchise Agreement and other related written agreements are binding (subject to applicable state law). Any representations or promises outside of the Disclosure Document and Franchise Agreement may not be enforceable.

WASHINGTON ADDENDUM TO THE FRANCHISE DISCLOSURE DOCUMENT

In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, Chapter 19.100 RCW will prevail.

RCW 19.100.180 may supersede the franchise agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise. There may also be court decisions which may supersede the franchise agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise.

In any arbitration or mediation involving a franchise purchased in Washington, the arbitration or mediation site will be either in the state of Washington, or in a place mutually agreed upon at the time of the arbitration or mediation, or as determined by the arbitrator or mediator at the time of arbitration or mediation, or as determined by the arbitrator or mediator at the time of arbitration or mediation. In addition, if litigation is not precluded by the franchise agreement, a franchisee may bring an action or proceeding arising out of or in connection with the sale of franchises, or a violation of the Washington Franchise Investment Protection Act, in Washington.

A release or waiver of rights executed by a franchisee may not include rights under the Washington Franchise Investment Protection Act or any rule or order thereunder except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel. Provisions such as those which unreasonably restrict or limit the statute of limitations period for claims under the Act, or rights or remedies under the Act such as a right to a jury trial, may not be enforceable.

Transfer fees are collectable to the extent that they reflect the franchisor’s reasonable estimated or actual costs in effecting a transfer.

Pursuant to RCW 49.62.020, a noncompetition covenant is void and unenforceable against an employee, including an employee of a franchisee, unless the employee’s annual earnings from the party seeking enforcement, when annualized, exceed $100,000 per year (an amount that will be adjusted annually for inflation). As a result, any provisions contained in the franchise agreement or elsewhere that conflict with these limitations are void and unenforceable in Washington.

RCW 49.62.060 prohibits a franchisor from restricting, restraining, or prohibiting a franchisee from (i) soliciting or hiring any employee of a franchisee of the same franchisor or (ii) soliciting or hiring any employee of the franchisor. As a result, any such provisions contained in the franchise agreement or elsewhere are void and unenforceable in Washington.

Item 5 of the Franchise Disclosure Document is hereby amended as follows:

In light of Franchisor’s limited operating history, the Securities Division will require Franchisor is defer the collection of the initial franchise fee until Franchisor has fulfilled its pre-opening obligations to the franchisee and the franchisee is open for business. The deferral of the development fee under the Development Agreement will be pro-rated, such that franchisee shall pay Franchisor the development fee proportionally upon the opening of each unit franchise.

The undersigned does hereby acknowledge receipt of this addendum.

Dated this ____ day of _________, 20_____.

FRANCHISOR PERI PERI HOLDINGS LLC	FRANCHISEE _____________________
BY: ____________________	BY: __________________
NAME: _________________	NAME: ________________
TITLE: ___________________	TITLE: _________________
DATE: __________________	DATE: _________________

WISCONSIN ADDENDUM TO THE FRANCHISE DISCLOSURE DOCUMENT

To the extent the Wisconsin Franchise Investment Law, Wis. State. §§553.01-553.78 or Wisconsin Fair Dealership Law, Wis. Stat. §§135.01 – 135.07 applies, the terms of this Addendum apply.

Item 17, Additional Disclosures:

For all franchisees residing in the State of Wisconsin, we will provide you at least 90 days' prior written notice of termination, cancellation or substantial change in competitive circumstances. The notice will state all the reasons for termination, cancellation or substantial change in competitive circumstances and will provide you have 60 days in which to cure any claimed deficiency. If this deficiency is cured within 60 days, the notice will be void. If the reason for termination, cancellation or substantial change in competitive circumstances is nonpayment of sums due under the franchise, you will have 10 days to cure the deficiency.

For Wisconsin franchisees, Ch. 135, Stats., the Wisconsin Fair Dealership law, supersedes any provisions of the Franchise Agreement or a related contract which is inconsistent with the law.

ILLINOIS ADDENDUM TO THE FRANCHISE AGREEMENT/DEVELOPMENT AGREEMENT

The following are revisions to the Franchise Agreement/Development Agreement:

1. Illinois law governs the Franchise and Area Development Agreements.

2. In conformance with Section 4 of the Illinois Franchise Disclosure Act, any provision in an 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.

3. Franchisees' rights upon Termination and Non-Renewal are set forth in sections 19 and 20 of the Illinois Franchise Disclosure Act.

4. 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.

Agreed to by:

FRANCHISOR	FRANCHISEE
PERI PERI HOLDINGS LLC	___________________________
By: _____________________	By: ________________________
Name: ___________________	Name: ______________________
Title: ____________________	Title: _______________________
Date: ____________________	Date: _______________________

MARYLAND ADDENDUM TO THE FRANCHISE AGREEMENT/DEVELOPMENT AGREEMENT

In recognition of the requirements of Maryland Franchise Registration and Disclosure Law, the parties to the attached Peri Peri Holdings LLC Franchise Agreement and Development Agreement agree as follows:

1. Section 4 of the Franchise Agreement and Section 2 of the Development Agreement is hereby amended as follows:

> Due to our financial condition, the Maryland Attorney General's Office requires that the payment of initial fees be deferred until such time as the franchisor completes its pre-opening obligations under the Franchise Agreement and the franchise is open for business. In addition, all development fees and initial payments by area developers shall be deferred until the first franchise under the development agreement opens.

2. Section 15.1 of the Franchise Agreement and Section 6 of the Development Agreement are hereby amended as follows:

> The termination of this Agreement for this reason may not be enforceable under federal bankruptcy law (11 U.S.C §101 et. seq.).

3. Sections 2.2 and 14.3.2 of the Franchise Agreement and Section 8 of the Development Agreement are hereby amended as follows:

> The general release required as a condition to renewal, sale, and/or assignment/transfer shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

4. Section 18.4 of the Franchise Agreement and Section 15 of the Development Agreement are hereby amended as follows:

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

5. Section 18 of the Franchise Agreement and Section 11 of the Development Agreement are hereby supplemented and amended as follows:

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

6. The Exhibit G to the Franchise Agreement is hereby amended as follows:

> All representations requiring prospective franchisees to assent to a release, estoppel or waiver of liability are not intended to nor shall they act as a release, estoppel or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law.

[SIGNATURE PAGE FOLLOWS]

Agreed to by:

FRANCHISOR	FRANCHISEE
PERI PERI HOLDINGS LLC	____________________________
By: ______________________	By: _________________________
Name: ____________________	Name: _______________________
Title: _____________________	Title: ________________________
Date: _____________________	Date: ________________________

MINNESOTA ADDENDUM TO THE FRANCHISE AGREEMENT AND DEVELOPMENT AGREEMENT

THE PARTIES TO THE ATTACHED PERI PERI HOLDINGS LLC FRANCHISE AGREEMENT AND DEVELOPMENT AGREEMENT AGREE THAT EACH AGREEMENT IS AMENDED AS FOLLOWS:

1. Minnesota Statute 80C.21 and Minnesota Rule 2860.4400(J) prohibit the franchiser from requiring litigation to be conducted outside Minnesota, requiring waiver of a jury trial, or requiring the franchisee to consent to liquidated damages, termination penalties or judgment notes. In addition, nothing in the Franchise Disclosure Document or agreement(s) can abrogate or reduce (1) any of the franchisee's rights as provided for in Minnesota Statute 80Cor (2) franchisee's rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.

2. With respect to franchises governed by Minnesota law, the franchiser will comply with Minnesota Statute 80C.14 Subd. 3-5, which require (except in certain specified cases):

   A. that a franchisee be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice for non-renewal of the franchise agreement; and

   B. that consent to the transfer of the franchise will not be unreasonably withheld.

3. Minnesota considers it unfair to not protect the franchisee's right to use the trademarks. Refer to Minnesota Statute 80C.12 Subd. 1(G). The franchiser will protect the franchisee's rights to use the trademarks, service marks, trade names, logotypes, or other commercial symbols or indemnify the franchisee from any loss, costs, or expenses arising out of any claim, suit, or demand regarding the use of the name.

4. Minnesota Rules 2860.4400(D) prohibits a franchisor from requiring a franchisee to assent to a general release.

5. The franchisee cannot consent to the franchisor obtaining injunctive relief. The franchisor may seek injunctive relief. See Minnesota Rule 2860.4400(J) also, a court will determine if a bond is required.

6. The Limitations of Claims section must comply with Minnesota Statute 80C.17 Subd. 5.

AGREED TO BY:

FRANCHISOR	FRANCHISEE
PERI PERI HOLDINGS LLC	___________________________
By: _____________________	By: ________________________
Name: ___________________	Name: ______________________
Title: ____________________	Title: _______________________
Date: ____________________	Date: _______________________

WASHINGTON ADDENDUM TO THE FRANCHISE AGREEMENT/DEVELOPMENT AGREEMENT

ALL FRANCHISE AGREEMENTS, AREA DEVELOPMENT AGREEMENTS, AND RELATED AGREEMENTS EXECUTED IN AND OPERATIVE WITHIN THE STATE OF WASHINGTON ARE HEREBY AMENDED AS FOLLOWS:

In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, Chapter 19.100 RCW will prevail.

RCW 19.100.180 may supersede the franchise agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise. There may also be court decisions which may supersede the franchise agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise.

In any arbitration or mediation involving a franchise purchased in Washington, the arbitration or mediation site will be either in the state of Washington, or in a place mutually agreed upon at the time of the arbitration or mediation, or as determined by the arbitrator or mediator at the time of arbitration or mediation, or as determined by the arbitrator or mediator at the time of arbitration or mediation. In addition, if litigation is not precluded by the franchise agreement, a franchisee may bring an action or proceeding arising out of or in connection with the sale of franchises, or a violation of the Washington Franchise Investment Protection Act, in Washington.

A release or waiver of rights executed by a franchisee may not include rights under the Washington Franchise Investment Protection Act or any rule or order thereunder except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel. Provisions such as those which unreasonably restrict or limit the statute of limitations period for claims under the Act, or rights or remedies under the Act such as a right to a jury trial, may not be enforceable.

Transfer fees are collectable to the extent that they reflect the franchisor's reasonable estimated or actual costs in effecting a transfer.

Pursuant to RCW 49.62.020, a noncompetition covenant is void and unenforceable against an employee, including an employee of a franchisee, unless the employee's annual earnings from the party seeking enforcement, when annualized, exceed $100,000 per year (an amount that will be adjusted annually for inflation). As a result, any provisions contained in the franchise agreement or elsewhere that conflict with these limitations are void and unenforceable in Washington.

RCW 49.62.060 prohibits a franchisor from restricting, restraining, or prohibiting a franchisee from (i) soliciting or hiring any employee of a franchisee of the same franchisor or (ii) soliciting or hiring any employee of the franchisor. As a result, any such provisions contained in the franchise agreement or elsewhere are void and unenforceable in Washington.

The Franchise Agreement and Development Agreement are hereby amended as follows:

In light of Franchisor's limited operating history, the Securities Division will require Franchisor is defer the collection of the initial franchise fee until Franchisor has fulfilled its pre-opening obligations to the franchisee and the franchisee is open for business. The deferral of the development fee under the Development Agreement will be pro-rated, such that franchisee shall pay Franchisor the development fee proportionally upon the opening of each unit franchise.

The undersigned does hereby acknowledge receipt of this addendum.

Dated this ____ day of _________, 20_____.

FRANCHISOR	**FRANCHISEE**
PERI PERI HOLDINGS LLC	**____________________**
By: ____________________	By: __________________
Name: _________________	Name: ________________
Title: ___________________	Title: _________________
Date: __________________	Date: _________________

EXHIBIT H

State Effective Dates

The following states have franchise laws that require that the Franchise Document be registered or filed with the states, or be exempt from registration: California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington, and Wisconsin.

This document is effective and may be used in the following states, where the document is filed, registered, or exempt from registration, as of the Effective Date stated below:

STATE	EFFECTIVE DATE
CALIFORNIA	PENDING
HAWAII	PENDING
ILLINOIS	PENDING
INDIANA	PENDING
MARYLAND	PENDING
MICHIGAN	PENDING
MINNESOTA	PENDING
NEW YORK	PENDING
RHODE ISLAND	PENDING
VIRGINIA	PENDING
WASHINGTON	PENDING
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 I
RECEIPT
(Our Copy)

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

If PERI PERI HOLDINGS LLC offers you a franchise, it must provide this Franchise Disclosure Document to you 14 calendar-days before you sign a binding agreement with, or make a payment to, the franchisor, or an affiliate, in connection with the proposed franchise sale or grant.

Under Iowa or Rhode Island law, if applicable, we must provide this Franchise Disclosure Document to you at your first personal meeting to discuss the franchise. Michigan requires us to give you this Franchise Disclosure Document at least 10 business days before the execution of any binding franchise or other agreement or the payment of any consideration, whichever occurs first. New York requires you to receive this Franchise Disclosure Document at the earlier of the first personal meeting or 10 business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship.

If PERI PERI HOLDINGS LLC does not deliver this Franchise Disclosure Document on time or if it contains a false or misleading statement, or a material omission, a violation of federal law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and the appropriate state agency identified on **Exhibit A**.

PERI PERI HOLDINGS authorizes the parties identified on **Exhibit A** to receive service of process for PERI PERI HOLDINGS LLC in the particular state.

The name, principal business address and telephone number of each franchise seller offering the franchise is:
Name of Franchise Seller: Syed Pasha Principal Business Address: 100 E Roosevelt Road, Villa Park, IL 60181 Telephone Number: (224) 788-7374

Issuance Date: September 27, 2021.

I received a Franchise Disclosure Document dated September 27, 2021, that included the following Exhibits:

A. List of State Agencies/Agents for Service of Process
B. Franchise Agreement
C. Development Agreement
D. Financial Statements
E. Franchise Manual Table of Contents
F. List of Franchisees
G. State Addenda
H. State Effective Dates
I. Receipt

____
Date Signature Printed Name

____
Date Signature Printed Name

Important: Please sign, date and either mail this receipt page to PERI PERI HOLDINGS LLC at ______________________________ attention: Mr. ______________, or scan and email it to ________________.

RECEIPT
(Franchisee Copy)

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

If PERI PERI HOLDINGS LLC offers you a franchise, it must provide this Franchise Disclosure Document to you 14 calendar-days before you sign a binding agreement with, or make a payment to, the franchisor, or an affiliate, in connection with the proposed franchise sale or grant.

Under Iowa or Rhode Island law, if applicable, we must provide this Franchise Disclosure Document to you at your first personal meeting to discuss the franchise. Michigan requires us to give you this Franchise Disclosure Document at least 10 business days before the execution of any binding franchise or other agreement or the payment of any consideration, whichever occurs first. New York requires you to receive this Franchise Disclosure Document at the earlier of the first personal meeting or 10 business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship.

If PERI PERI HOLDINGS does not deliver this Franchise Disclosure Document on time or if it contains a false or misleading statement, or a material omission, a violation of federal law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and the appropriate state agency identified on **Exhibit A**.

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G. State Addenda
H. State Effective Dates
I. Receipt

____
Date Signature Printed Name

____
Date Signature Printed Name

Please retain this copy of the receipt for your records.