



## FRANCHISE DISCLOSURE DOCUMENT

ISSUANCE DATE: MARCH 24, 2022

**AUNTIE ANNE'S FRANCHISOR SPV LLC**  
A Delaware limited liability company  
5620 Glenridge Drive NE  
Atlanta, GA 30342  
(404) 255-3250

[www.auntieannes.com](http://www.auntieannes.com)  
[requests@auntieannes.com](mailto:requests@auntieannes.com)

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You will operate an Auntie Anne's® retail shop offering fresh baked soft pretzels, lemonade and related foods and beverages (a "**Shop**").

The total investment necessary to begin operation of a traditional Shop (a "**Full Shop**") ranges from \$146,050 to \$523,500. This includes \$35,500 to \$39,000 that must be paid to us or our affiliates. The total investment necessary to begin operation of a Shop within a temporary stand in a farmers' market, a concession trailer, or a food truck (a "**Concession Shop**") is \$103,050 to \$332,000. This includes \$10,500 to \$12,000 that must be paid to us or our affiliates. The total investment necessary to begin operation of a Shop in a location that is co-branded with a Cinnabon® franchise (a "**Cinnabon Co-Branded Shop**") is \$280,050 to \$647,500. This includes \$66,000 to \$69,500 that must be paid to us or our affiliates. The total investment necessary to begin operation of a Shop in a location that is co-branded with a Jamba® franchise (a "**Jamba Co-Branded Shop**") is \$395,050 to \$804,500. This includes \$71,000 to \$74,500 that must be paid to us or our affiliates.

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

You may wish to receive your Disclosure Document in another format that is more convenient for you. To discuss the availability of disclosures in different formats, contact our sales department at 5620 Glenridge Drive NE, Atlanta, GA 30342 and 800-227-8353 or requests@auntieannes.com.

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

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

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

The issuance date of this Franchise Disclosure Document is March 24, 2022.

## How to Use This Franchise Disclosure Document

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

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

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

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

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

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

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

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

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

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

### Some States Require Registration

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

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

## Special Risks to Consider About *This* Franchise

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

1. **Out-of-State Dispute Resolution.** The franchise agreement requires you to resolve disputes with the franchisor by arbitration and/or litigation only in Georgia. Out-of-state arbitration or litigation may force you to accept a less favorable settlement for disputes. It may also cost more to arbitrate or litigate with the franchisor in Georgia than in your own state.

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

**(THE FOLLOWING APPLIES TO TRANSACTIONS GOVERNED BY THE MICHIGAN  
FRANCHISE INVESTMENT LAW)**

**THE STATE OF MICHIGAN PROHIBITS CERTAIN UNFAIR PROVISIONS THAT ARE  
SOMETIMES IN FRANCHISE DOCUMENTS.**

If any of the following provisions are in these franchise documents, the provisions are void and cannot be enforced against you:

- (a) A prohibition on the right of a franchisee to join an association of franchisees.
- (b) A requirement that a franchisee assent to a release, assignment, novation, waiver, or estoppel which deprives a franchisee of rights and protection 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 thirty (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 five (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 six (6) months advance notice of franchisor's intent not to renew the franchise.
- (e) A provision that permits the franchisor to refuse to renew a franchise on terms generally available to other franchisees of the same class or type under similar circumstances. This section does not require a renewal provision.
- (f) A provision requiring that arbitration or litigation be conducted outside this state. This shall not preclude the franchisee from entering into an agreement, at the time of arbitration, to conduct arbitration at a location outside this state.
- (g) A provision which permits a franchisor to refuse to permit a transfer of ownership of a franchise, except for good cause. This subdivision does not prevent a franchisor from exercising a right of first refusal to purchase the franchise. Good cause shall include, but is not limited to:
  - (i) The failure of the proposed transferee to meet the franchisor's then-current reasonable qualifications or standards.
  - (ii) The fact that the proposed transferee is a competitor of the franchisor or subfranchisor.

(iii) The unwillingness of the proposed transferee to agree in writing to comply with all lawful obligations.

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

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

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

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

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

Any questions regarding this notice should be directed to:

State of Michigan Department of Attorney General  
G. Mennen Williams Building, 7<sup>th</sup> Floor  
525 W. Ottawa Street  
Lansing, Michigan 48909  
Telephone Number: (517) 335-7567

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EXHIBITS:

EXHIBIT A FINANCIAL STATEMENTS

EXHIBIT B AUNTIE ANNE'S FRANCHISE AGREEMENT AND RELATED AGREEMENTS:

- Schedule A - Franchise Specific Terms
- Schedule B - Personal Covenants
- Schedule C - Guaranty of Payment and Performance
- Schedule D - State Law Addendum (If Required)
- Schedule E - Multi-Unit Addendum

EXHIBIT C OTHER AGREEMENTS

- Non-Disclosure and Confidentiality Agreement
- Concession Shop Schedule (to replace Schedule A of the Franchise Agreement)
- Co-Branded Shop Schedule (to replace Schedule A of the Franchise Agreement)
- Satellite Retail Unit Addendum
- Satellite Retail Unit Lease Agreement
- Pretzel Bike Unit Addendum
- General Release
- POS System Support Services Agreement

EXHIBIT D INFORMATION ON FRANCHISEES

EXHIBIT E INFORMATION ON FORMER FRANCHISEES

EXHIBIT F STATE ADMINISTRATORS

EXHIBIT G AGENTS FOR SERVICE OF PROCESS

EXHIBIT H STATE ADDENDA TO DISCLOSURE DOCUMENT

EXHIBIT I FRANCHISEE DISCLOSURE ACKNOWLEDGEMENT

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

To simplify the language in this Disclosure Document, “**we**”, “**us**”, “**our**”, or “**Auntie Anne’s**” means Auntie Anne’s Franchisor SPV LLC, the franchisor. “**You**” or “**your**” means the person or entity who buys the franchise, including all equity owners of a corporation, general partnership, limited partnership, limited liability company, or any other type of entity (an “**Entity**”). The words “**includes**” and “**including**” mean “includes, but is not limited to” and “including, but not limited to,” and the terms following such words are intended to be examples and not an exhaustive list. If you are an Entity, each individual with direct or indirect ownership interest shall be referred to as an “**Owner**.”

### **Our Business**

We are a Delaware limited liability company organized on February 2, 2017. We do business under the name “Auntie Anne’s.” Our principal place of business is 5620 Glenridge Drive NE, Atlanta, Georgia 30342. Exhibit G discloses our agents for service of process. Although we reserve the right to do so, we have not offered franchises in other lines of business.

We have offered Auntie Anne’s® franchises since April 2017. As of December 31, 2021, there were approximately 1,126 franchised Shops in the United States and 748 franchised Shops operating outside the United States. We do not own any Shops. As of December 31, 2021, our affiliate, Auntie Anne’s LLC (“**AA**”), owned and operated 12 Shops in the United States.

We lease carts and equipment to our franchisees participating in the Satellite Retail Unit (“**SRU**”) program. See Items 5 and 8 for more information on the SRU program.

In addition to offering franchises, we or our affiliates sell products to (i) wholesale accounts that offer products using the Auntie Anne’s® trademarks at retail, such as supermarkets, convenience stores, club stores and other similar retail outlets and (ii) unaffiliated branded restaurants and retail stores that we permit to sell one or more Auntie Anne’s® branded products.

### **Predecessors, Parents and Certain Affiliates**

We are an indirect, wholly-owned subsidiary of Focus Brands LLC, a Delaware limited liability company (“**Focus Brands**”). Focus Brands was originally incorporated in Delaware as Focus Brands Inc. before it converted to a Delaware limited liability company on December 29, 2019. Focus Brands shares our principal business address, has not conducted a business of the type that you will operate, and has not offered franchises in any line of business. Focus Brands is the indirect parent company of six other franchise systems (see below).

We are a direct, wholly-owned subsidiary of Focus Brands Systems LLC (“**Focus Systems**”), a Delaware limited liability company. Focus Systems is a direct, wholly-owned subsidiary of Focus Brands Funding LLC (“**Focus Funding**”), a Delaware limited liability company. Focus Systems is an indirect, wholly-owned subsidiary of Focus Brands. Focus Systems and Focus Funding share our principal business address, have not conducted a business of the type that you will operate, and have not offered franchises in any line of business.

AA, a Georgia limited liability company that shares our principal business address, is an indirect subsidiary of Focus Brands. AA was originally incorporated as Auntie Anne’s, Inc. in the Commonwealth of Pennsylvania and converted to a Georgia limited liability company, Auntie Anne’s LLC, on December 28, 2015. AA is our predecessor and offered Auntie Anne’s® franchises

from January 1991 to April 2017. AA has not offered franchises in any other line of business. AA became affiliated with Focus Brands in November 2010 as a result of an acquisition.

### **Affiliates That Provide Services to Franchisees**

We have entered into a management agreement with Focus Brands for it to provide our franchisees with certain support and services that we are obligated to provide under their franchise agreements. Focus Brands also acts as our franchise sales agent. We have agreed to pay management fees to Focus Brands for these services. Focus Brands may delegate certain of these responsibilities to our other affiliates. However, as the franchisor, we will be responsible and accountable to you to make sure that all services we promise to perform under your Franchise Agreement or other agreements you sign with us are performed in compliance with the applicable agreement, regardless of who performs these services on our behalf.

FSC LLC (“**FSC**”), a Georgia limited liability company, is an indirect subsidiary of Focus Brands that manages the supply chain associated with us and the other franchise systems within the Focus Brands Portfolio (as defined below). In managing the supply chain, FSC handles the procurement, distribution, logistics and quality assurance aspects of the Focus Brands Portfolio supply chain and seeks to leverage the overall buying power of these franchise systems in order to provide value to each system. FSC shares our principal business address, has not conducted a business of the type that you will operate, and has not offered franchises in any line of business.

Focus Brands Rewards, Inc. (“**FBRI**”), a Florida corporation, is an indirect subsidiary of Focus Brands that administers the gift card program for Shops and other brands in the Focus Brands Portfolio (as defined below). See Item 8 for more information on our gift card program. FBRI shares our principal business address, has not conducted a business of the type that you will operate, and has not offered franchises in any line of business.

Focus Systems guarantees our performance of obligations under our franchise agreements.

### **Focus Brands**

**Focus Brands** is the indirect parent company to seven franchisors, including: us, Carvel Franchisor SPV LLC (“**Carvel**”), Cinnabon Franchisor SPV LLC (“**Cinnabon**”), Schlotzsky’s Franchisor SPV LLC (“**Schlotzsky’s**”), Moe’s Franchisor SPV LLC (“**Moe’s**”), Jamba Juice Franchisor SPV LLC (“**Jamba**”), and McAlister’s Franchisor SPV LLC (“**McAlister’s**”) (collectively, the “**Focus Brands Portfolio**”). Prior to April 2017, the franchisors of these franchise systems (other than Jamba, which was not affiliated with Focus Brands at the time) were AA, Carvel Corporation (now known as Carvel LLC), Cinnabon LLC, Schlotzsky’s Franchise LLC, Moe’s Franchisor LLC, and McAlister’s Corporation (now known as McAlister’s LLC) (collectively, the “**Former Focus Franchisors**”). Prior to October 2018, the franchisor of the Jamba system was Jamba Juice Company (now known as Jamba Juice LLC) (“**JJ**”). All seven franchisors in the Focus Brands Portfolio have a principal place of business at 5620 Glenridge Drive NE, Atlanta, GA 30342 and have not offered franchises in any other line of business.

**Carvel** franchises Carvel® ice cream shoppes and is a leading retailer of branded ice cream cakes and producer of premium soft-serve ice cream. The Carvel system became an affiliated program in October 2001. Carvel has offered franchises since April 2017, and its predecessors offered franchises from 1947 to April 2017. As of December 31, 2021, there were 325 domestic retail shoppes (including one shoppe co-branded in a Schlotzsky’s restaurant operated by our affiliate),

31 international retail shoppes, and three foodservice locations operated by independent third parties that offer Carvel® ice cream and frozen desserts including cakes and ice cream novelties.

**Cinnabon** franchises Cinnabon® bakeries that feature oven-hot cinnamon rolls, as well as other baked treats and specialty beverages. It also licenses third parties to operate Seattle's Best Coffee® franchises on military bases in the United States and in certain international countries. In November 2004, the Cinnabon system became affiliated with Focus Brands through an acquisition. Cinnabon has offered Cinnabon® franchises since April 2017, and its predecessor offered franchises from 1990 to April 2017. As of December 31, 2021, there were 938 franchised Cinnabon® bakeries in the United States, 810 franchised Cinnabon® bakeries outside the United States, one affiliate-owned Cinnabon® bakery in the United States, and 170 franchised Seattle's Best Coffee® units outside the United States.

**Jamba** franchises Jamba® stores that feature a wide variety of fresh blended-to-order smoothies and other cold or hot beverages and offer fresh squeezed juices and portable food items to customers who come for snacks and light meals. In September 2018, Jamba's predecessor, JJ, became affiliated with Focus Brands through an acquisition. Jamba has offered Jamba® franchises since October 2018, and its predecessor offered franchises from 1991 to October 2018. As of December 31, 2021, there were 747 franchised Jamba® stores in the United States, 64 franchised stores outside the United States, and three affiliate-owned stores in the United States.

**McAlister's** franchises McAlister's Deli® restaurants that feature deli foods, including hot and cold deli sandwiches, baked potatoes, salads, soups, desserts, iced tea and other food and beverage products. McAlister's system became an Affiliated Program (as defined below) through an acquisition in July 2005, and the McAlister's system became affiliated with Focus Brands in October 2013. McAlister's has offered franchises since April 2017, and its predecessor offered franchises from 1999 to April 2017. As of December 31, 2021, there were 472 franchised McAlister's® restaurants and 33 affiliate-owned restaurants in the United States.

**Moe's** franchises Moe's Southwest Grill® fast casual restaurants that feature fresh-mex and southwestern food. In August 2007, the Moe's system became affiliated with Focus Brands through an acquisition. Moe's has offered franchises since April 2017, and its predecessors offered franchises from 2001 to April 2017. As of December 31, 2021, there were 658 franchised Moe's Southwest Grill® restaurants in the United States, one franchised restaurant outside the United States, and one affiliate-owned restaurant in the United States.

**Schlotzsky's** franchises Schlotzsky's® quick-casual restaurants that feature sandwiches, pizza, soups, and salads. Schlotzsky's signature items are its "fresh-from-scratch" sandwich buns and pizza crusts that are baked on-site every day. In November 2006, the Schlotzsky's system became affiliated with Focus Brands through an acquisition. Schlotzsky's has offered franchises since April 2017, and its predecessors offered franchises from 1976 to April 2017. As of December 31, 2021, there were 300 franchised Schlotzsky's® restaurants in the United States, one franchised restaurant outside the United States, and 24 affiliate-owned restaurants in the United States.

### **Other Affiliates with Franchise Programs**

Through control with private equity funds managed by Roark Capital Management, LLC, an Atlanta-based private equity firm, we are affiliated with the following franchise programs ("**Affiliated Programs**"). None of these affiliates operate an Auntie Anne's® franchise.

**Inspire Brands** (“**Inspire Brands**”) is a global multi-brand restaurant company, launched in February 2018 upon completion of the merger of the Arby’s and Buffalo Wild Wings brands. Inspire Brands is a parent company to seven franchisors, including: Arby’s Franchisor, LLC (“**Arby’s**”), Baskin-Robbins Franchising LLC (“**Baskin-Robbins**”), Buffalo Wild Wings International, Inc. (“**Buffalo Wild Wings**”), Dunkin’ Donuts Franchising LLC (“**Dunkin’**”), Jimmy John’s Franchisor SPV, LLC (“**Jimmy John’s**”), Rusty Taco, Inc. (“**Rusty Taco**”), and Sonic Franchising LLC (“**Sonic**”). All seven Inspire Brands franchisors have a principal place of business at Three Glenlake Parkway NE, Atlanta, Georgia 30328 and, other than as described below for Arby’s, have not offered franchises in any other line of business.

**Arby’s** is a franchisor of quick-serve restaurants operating under the Arby’s® trade name and business system that feature slow-roasted, freshly sliced roasted beef and other deli-style sandwiches. In July 2011, Arby’s became an Affiliated Program through an acquisition. Arby’s has been franchising since 1965 and, as of January 2, 2022, there were approximately 3,407 Arby’s restaurants operating in the United States (2,291 franchised and 1,116 company-owned) and 160 franchised Arby’s restaurants operating internationally. Predecessors and former affiliates of Arby’s have, in the past, offered franchises for other restaurant concepts including T.J. Cinnamons® stores that served gourmet baked goods. All of the T.J. Cinnamons locations have closed.

**Buffalo Wild Wings** is a franchisor of sports entertainment-oriented casual sports bars that feature chicken wings, sandwiches, and other products, alcoholic and other beverages, and related services under Buffalo Wild Wings® name (“**Buffalo Wild Wings Sports Bars**”) and restaurants that feature chicken wings and other food and beverage products primarily for off-premises consumption under the Buffalo Wild Wings GO name (“**BWW-GO Restaurants**”). Buffalo Wild Wings has offered franchises for Buffalo Wild Wings Sports Bars since April 1991 and for BWW-GO Restaurants since December 2020. As of January 2, 2022, there were 1,196 Buffalo Wild Wings Sports Bars operating in the United States (534 franchised and 662 company-owned) and 76 Buffalo Wild Wings or B-Dubs restaurants operating outside the United States (64 franchised and 12 company-owned). As of January 2, 2022, there were 16 BWW-GO Restaurants operating in the United States (one franchised and 15 company-owned).

**Rusty Taco** is the franchisor of Rusty Taco® (formerly R Taco®) restaurants. Rusty Taco has offered franchises for Rusty Taco restaurants since May 2015, but its predecessors have been franchising Rusty Taco restaurants since 2010. As of January 2, 2022, there were 36 Rusty Taco restaurants (32 franchised and 4 company-owned) in operation.

**Sonic** is the franchisor of Sonic Drive-In® restaurants, which serve hot dogs, hamburgers and other sandwiches, tater tots and other sides, a full breakfast menu and frozen treats and other drinks. Sonic became an Affiliated Program through an acquisition in December 2018. Sonic has offered franchises for Sonic restaurants since May 2011. As of January 2, 2022, there were 3,552 Sonic Drive-Ins (3,232 franchised and 320 company-owned) in operation.

**Jimmy John’s** is a franchisor of restaurants operating under the Jimmy John’s® trade name and business system that feature high-quality deli sandwiches, fresh baked breads, and other food and beverage products. Jimmy John’s became an Affiliated Program through an acquisition in October 2016 and became part of Inspire Brands by merger in 2019. Jimmy John’s and its predecessor have been franchising since 1993 and, as of January 2, 2022, had 2,657 restaurants operating in the United States (2,616 franchised and 41 affiliate-owned).

**Dunkin'** is a franchisor of Dunkin'<sup>®</sup> restaurants that offer doughnuts, coffee, espresso, breakfast sandwiches, bagels, muffins, compatible bakery products, croissants, snacks, sandwiches and beverages. Dunkin' became an Affiliated Program through an acquisition in December 2020. Dunkin' has offered franchises for Dunkin' restaurants since March 2006 and, as of December 25, 2021, there were 9,244 franchised Dunkin' restaurants operating in the United States and an additional 3,713 operating in 39 countries.

**Baskin-Robbins** franchises Baskin-Robbins<sup>®</sup> restaurants that offer ice cream, ice cream cakes and related frozen products, beverages and other products and services. Baskin-Robbins became an Affiliated Program through an acquisition in December 2020. Baskin-Robbins has offered franchises for Baskin-Robbins restaurants since March 2006 and, as of December 25, 2021, there were 2,276 franchised Baskin-Robbins restaurants in the United States and an additional 5,394 operating internationally in 54 countries and Puerto Rico.

**Primrose School Franchising SPE, LLC ("Primrose")** is a franchisor that offers franchises for the establishment, development and operation of educational childcare facilities serving families with children from 6 weeks to 12 years old operating under the Primrose<sup>®</sup> name. Primrose's principal place of business is 3200 Windy Hill Road SE, Suite 1200E, Atlanta GA 30339. Primrose became an Affiliated Program through an acquisition in June 2008. Primrose and its affiliates have been franchising since 1988 and as of December 31, 2021, had 465 franchised facilities. Primrose has not offered franchises in any other line of business.

**Pet Valu Canada Inc. ("Pet Valu")** is a franchisor that offers franchises for specialty retail stores operating under the trademark Pet Valu<sup>®</sup> that sell food and supplies for dogs, cats, birds, fish, reptiles and small animals. Pet Valu's principal place of business is 130 Royal Crest Court, Markham, Ontario L3R 0A1. Pet Valu became an Affiliated Program through an acquisition in August 2009. Pet Valu has been franchising since 1987. As of January 2, 2021, the Pet Valu enterprise operated stores in Canada under 5 different banners: (i) 492 Pet Valu branded stores with 330 franchised stores and 162 company-owned stores; (ii) 16 Paulmac's Pet Foods-branded stores consisting of 12 franchised and 4 company-owned stores; (iii) 72 Bosley's Pet Food Plus-branded stores in British Columbia, Canada consisting of 31 franchised and 41 company-owned stores; (iv) 9 company-owned Tisol-branded stores; and (v) 16 company-owned Total Pet-branded stores. Pet Valu stores have not offered franchises in any other line of business and currently only offers franchises for the operation of Pet Valu stores in Canada. Pet Supermarket, an affiliate of Pet Valu through common ownership and/or control, operated 222 Pet Supermarket company-owned stores at the end of fiscal year 2020.

**ME SPE Franchising, LLC ("Massage Envy")** is a franchisor of businesses that offers professional therapeutic massage services, facial services and related goods and services under the name Massage Envy<sup>®</sup> since 2019. Massage Envy's principal place of business is 14350 North 87th Street, Suite 200, Scottsdale, Arizona 85260. Massage Envy's predecessor began operation in 2003, commenced franchising in 2010, and became an Affiliated Program through an acquisition in 2012. As of December 31, 2021, there were 1,110 franchised Massage Envy locations operating in the United States. Additionally, Massage Envy's predecessor previously sold franchises for regional developers, who acquired a license for a defined region in which they were required to open and operate a designated number of Massage Envy locations either by themselves or through franchisees that they would solicit. As of December 31, 2021, there were 10 regional developers operating 12 regions in the United States. Massage Envy has not offered franchises in any other line of business.

**CKE Inc.** (“**CKE**”), through two indirect wholly-owned subsidiaries (Carl’s Jr. Restaurants LLC and Hardee’s Restaurants LLC), owns, operates and franchises quick serve restaurants operating under the Carl’s Jr.® and, Hardee’s® trade names and business systems. Carl’s Jr. restaurants and Hardee’s restaurants offer a limited menu of breakfast, lunch and dinner products featuring charbroiled 100% Black Angus Thickburger® sandwiches, Hand-Breaded Chicken Tenders, Made from Scratch Biscuits and other related quick serve menu items. A small number of Hardee’s Restaurants offer Green Burrito® Mexican food products through a Dual Concept Restaurant. A small number of Carl’s Jr. Restaurants offer Red Burrito® Mexican food products through a Dual Concept Restaurant. CKE Inc.’s principal place of business is 6700 Tower Circle, Suite 1000, Franklin, Tennessee. In December 2013, CKE Inc. became an Affiliated Program through an acquisition. Hardee’s restaurants have been franchised since 1961. As of January 31, 2022, there were 202 company-operated Hardee’s restaurants, including 12 Hardee’s/Red Burrito Dual Concept restaurants, and there were 1,550 domestic franchised Hardee’s restaurants, including 150 Hardee’s/Red Burrito Dual Concept restaurants. Additionally, there were 425 franchised Hardee’s restaurants operating outside the United States. Carl’s Jr. restaurants have been franchised since 1984. As of January 31, 2022, there were 48 company-operated Carl’s Jr. restaurants, and there were 1,018 domestic franchised Carl’s Jr. restaurants, including 270 Carl’s Jr./Green Burrito Dual Concept restaurants. In addition, there were 566 franchised Carl’s Jr. restaurants operating outside the United States, including one Carl’s Jr./Green Burrito Dual Concept restaurant. Neither CKE nor its subsidiaries that operate the above-described franchise systems have offered franchises in any other line of business.

**Driven Holdings, LLC** (“**Driven Holdings**”) is the indirect parent company to 10 franchisors, including Meineke Franchisor SPV LLC (“**Meineke**”), Maaco Franchisor SPV LLC (“**Maaco**”), Drive N Style Franchisor SPV LLC (“**DNS**”), Econo Lube Franchisor SPV LLC (“**Econo Lube**”), Merlin Franchisor SPV LLC (“**Merlin**”), CARSTAR Franchisor SPV LLC (“**CARSTAR**”), 1-800-Radiator Franchisor SPV LLC (“**1-800-Radiator**”), Take 5 Franchisor SPV LLC (“**Take 5**”), ABRA Franchisor SPV LLC (“**ABRA**”) and FUSA Franchisor SPV LLC (“**FUSA**”). In April 2015, Driven Holdings and its franchised brands at the time (Meineke, Maaco, DNS, Merlin and Econo Lube) became Affiliated Programs through an acquisition. Subsequently, through acquisitions in June 2015, October 2015, March 2016, September 2019, and April 2020, respectively, the 1-800-Radiator, CARSTAR, Take 5, ABRA and FUSA brands became Affiliated Programs. The principal business address of Meineke, Maaco, DNS, Econo Lube, Merlin, CARSTAR, Take 5, ABRA and FUSA is 440 South Church Street, Suite 700, Charlotte, North Carolina 28202. 1-800-Radiator’s principal business address is 4401 Park Road, Benicia, California 94510. All 10 franchisors have not offered franchises in any other line of business.

**Meineke** franchises automotive centers which offer to the general public automotive repair and maintenance services that it authorizes periodically. These services currently include repair and replacement of exhaust system components, brake system components, steering and suspension components (including alignment), belts (V and serpentine), cooling system service, CV joints and boots, wiper blades, universal joints, lift supports, motor and transmission mounts, trailer hitches, air conditioning, state inspections, tire sales, tune ups and related services, transmission fluid changes and batteries. Meineke and its predecessors have offered Meineke center franchises since September 1972, and Meineke’s affiliate has owned and operated Meineke centers on and off since March 1991. As of December 25, 2021, there were 698 Meineke centers, 26 Meineke centers co-branded with Econo Lube, and no company-owned Meineke centers or company-owned Meineke centers co-branded with Econo Lube operating in the United States.

**Maaco** and its predecessors have offered Maaco center franchises since February 1972 providing automotive collision and paint refinishing. As of December 25, 2021, there were 411 franchised Maaco centers and no company-owned Maaco centers in the United States.

**DNS** is the franchisor of 3 franchise systems: Drive N Style® franchises, AutoQual® franchises and Aero Colours® franchises. DNS and its predecessors have offered Drive N Style franchises since October 2006. A Drive N Style business offers both interior and exterior reconditioning and maintenance services, exterior paint repair and refinishing services and interior and exterior protection services for consumer vehicles. As of December 25, 2021, there were 31 Drive N Style franchises and no company-owned Drive N Style businesses in the United States. DNS and its predecessors have offered AutoQual franchises since February 2008. AutoQual businesses offer various services relating to the interior of automotive vehicles, including, among other things, cleaning, deodorizing, dyeing, and masking of carpets, seats, and trim. As of December 25, 2021, there were 8 AutoQual franchises and no company-owned AutoQual businesses in the United States. DNS and its predecessors have offered Aero Colours franchises since 1998. Aero Colours businesses offer various services related to the exterior of automotive vehicles, including paint touch-up, repair and refinishing that is performed primarily on cars at automobile dealerships or at the customer's home or place of business. As of December 25, 2021, there were 2 Aero Colours franchises and no company-owned Aero Colours businesses in the United States.

**Merlin** franchises shops which provide automotive repair services specializing in vehicle longevity, including the repair and replacement of automotive exhaust, brake parts, ride and steering control system and tires. Merlin and its predecessors offered franchises from July 1990 to February 2006 under the name "Merlin Muffler and Brake Shops," and have offered franchises under the name "Merlin 200,000 Mile Shops" and "Merlin Shops" since February 2006. As of December 25, 2021, there were 24 Merlin franchises and no company-owned Merlin shops located in the United States.

**Econo Lube** offers franchises that provide oil change services and other automotive services including brakes, but not including exhaust systems. Econo Lube's predecessor began offering franchises in 1980 under the name "Muffler Crafters" and began offering franchises under the name "Econo Lube N' Tune" in 1985. As of December 25, 2021, there were 10 Econo Lube N' Tune franchises and 12 Econo Lube N' Tune franchises co-branded with Meineke centers in the United States, which are predominately in the western part of the United States, including California, Arizona, and Texas, and no company-owned Econo Lube N' Tune locations in the United States.

**1-800-Radiator** franchises distribution warehouses selling radiators, condensers, air conditioning compressors, fan assemblies and other automotive parts to automotive shops, chain accounts and retail consumers. 1-800-Radiator and its predecessor have offered 1-800-Radiator franchises since 2004. As of December 25, 2021, there were 193 1-800-Radiator franchises in operation in the United States. 1-800-Radiator's affiliate has owned and operated 1-800-Radiator warehouses since 2001 and, as of December 25, 2021, owned and operated 1 1-800-Radiator warehouse in the United States.

**CARSTAR** offers franchises for full-service automobile collision repair facilities providing repair and repainting services for automobiles and trucks that suffered damage in collisions. CARSTAR's business model focuses on insurance-related collision repair work arising out of relationships it has established with insurance company providers. CARSTAR and its affiliates first offered conversion franchises to existing automobile collision repair



facilities in August 1989 and began offering franchises for new automobile repair facilities in October 1995. As of December 25, 2021, there were 419 franchised CARSTAR facilities and 10 company-owned facilities operating in the United States.

**Take 5** franchises motor vehicle centers that offer quick service, customer-oriented oil changes, lubrication and related motor vehicle services and products. Take 5 commenced offering franchises in March 2017, although the Take 5 concept started in 1984 in Metairie, Louisiana. As of December 25, 2021, there were 134 franchised Take 5 outlets operating in the United States. An affiliate of Take 5 currently operates approximately 536 Take 5 outlets and outlets that operate under other brands, including Havoline Xpress, many of which may be converted to the Take 5 brand and operating platform in the future.

**ABRA** franchises repair and refinishing centers that offer high quality auto body repair and refinishing and auto glass repair and replacement services at competitive prices. ABRA and its predecessor have offered ABRA franchises since 1987. As of December 25, 2021, there were 63 franchised ABRA repair centers and no company-owned repair centers operating in the United States.

**FUSA** franchises collision repair shops specializing in auto body repair work and after-collision services. FUSA has offered Fix Auto shop franchises since July 2020, although its predecessors have offered franchise and license arrangements for Fix Auto shops on and off from April 1998 to June 2020. As of December 25, 2021, there were 181 franchised Fix Auto repair shops operating in the United States, 9 of which are operated by FUSA's affiliate pursuant to a franchise agreement with FUSA.

Driven Holdings is also the indirect parent company to the following franchisors that offer franchises in Canada: (1) **Meineke Canada SPV LP** and its predecessors have offered Meineke center franchises in Canada since August 2004; (2) **Maaco Canada SPV LP** and its predecessors have offered Maaco center franchises in Canada since 1983; (3) **1-800-Radiator Canada, Co.** has offered 1-800-Radiator warehouse franchises in Canada since April 2007; (4) **Carstar Canada SPV LP** and its predecessors have offered CARSTAR franchises in Canada since September 2000; (5) **Take 5 Canada SPV LP** and its predecessor have offered Take 5 franchises in Canada since November 2019; (6) **Driven Brands Canada Funding Corporation** and its predecessors have offered UniglassPlus and Uniglass Express franchises in Canada since 1985 and 2015, respectively, Vitro Plus and Vitro Express franchises in Canada since 2002, and Docteur du Pare Brise franchises in Canada since 1998; (7) **Go Glass Franchisor SPV LP** and its predecessors have offered Go! Glass & Accessories franchises since 2006 and Go! Glass franchises since 2017 in Canada; and (8) **Star Auto Glass Franchisor SPV LP** and its predecessors have offered Star Auto Glass franchises in Canada since approximately 2012. These franchisors have not offered franchises in any other line of business.

As of December 25, 2021, there were: (i) 27 franchised Meineke centers and no company-owned Meineke centers in Canada; (ii) 17 franchised Maaco centers and no company-owned Maaco centers in Canada; (iii) 7 1-800-Radiator franchises and no company-owned 1-800-Radiator locations in Canada; (iv) 323 franchised CARSTAR facilities and 4 company-owned CARSTAR facilities in Canada; (v) 31 franchised Take 5 outlets and 8 company-owned Take 5 outlets in Canada; (vi) 23 franchised UniglassPlus businesses, 30 franchised UniglassPlus/Ziebart businesses, and 5 franchised Uniglass Express businesses in Canada, and 4 company-owned UniglassPlus businesses and 1 company-owned UniglassPlus/Ziebart business in Canada; (vii) 7 franchised VitroPlus businesses, 60 franchised VitroPlus/Ziebart

businesses, and 4 franchised Vitro Express businesses in Canada, and 3 company-owned VitroPlus businesses and 1 company-owned VitroPlus/Ziebart business in Canada; (viii) 31 franchised Docteur du Pare Brise businesses and 2 company-owned Docteur du Pare Brise businesses in Canada; (ix) 12 franchised Go! Glass & Accessories businesses and no franchised Go! Glass businesses in Canada, and 8 company-owned Go! Glass & Accessories businesses and no company-owned Go! Glass businesses in Canada; and (x) 8 franchised Star Auto Glass businesses and no company-owned Star Auto Glass businesses in Canada.

**ServiceMaster Systems LLC** is the direct parent company to five franchisors operating in the United States: AmeriSpec SPE LLC (“**AmeriSpec**”), Furniture Medic SPE LLC (“**Furniture Medic**”), Merry Maids SPE LLC (“**Merry Maids**”), ServiceMaster Clean/Restore SPE LLC (“**ServiceMaster**”) and Two Men and a Truck SPE LLC (“**Two Men and a Truck**”). AmeriSpec, Furniture Medic, Merry Maids, and ServiceMaster became Affiliated Programs through an acquisition in December 2020. Two Men and a Truck became an Affiliated Program through an acquisition in August 2021. The five franchisors have a principal place of business at One Glenlake Parkway, Suite 1400, Atlanta, Georgia 30328 and have never offered franchises in any other line of business.

**AmeriSpec** franchises home and commercial inspection businesses under the AmeriSpec® mark. AmeriSpec’s predecessor began offering franchises in 1988. As of December 31, 2021, AmeriSpec had 182 franchises in the United States.

**Furniture Medic** franchises furniture restoration, repair, and refinishing businesses under the Furniture Medic® mark. Furniture Medic’s predecessor began offering franchises in August 1992. As of December 31, 2021, Furniture Medic had 195 franchises in the United States.

**Merry Maids** franchises residential house cleaning businesses under the Merry Maids® mark. Merry Maids’ predecessor began business and started offering franchises in 1980. As of December 31, 2021, Merry Maids had 996 franchises in the United States.

**ServiceMaster** franchises (i) businesses that provide disaster restoration and heavy-duty cleaning services to residential and commercial customers under the ServiceMaster Restore® mark and (ii) businesses that provide contracted janitorial services and other cleaning and maintenance services under the ServiceMaster Clean® mark. ServiceMaster’s predecessor began offering franchises in 1952. As of December 31, 2021, ServiceMaster had 713 ServiceMaster Clean franchises and 2,294 ServiceMaster Restore franchises operating in the United States.

**Two Men and a Truck** franchises businesses that provide moving services and related products and services, including packing, unpacking and the sale of boxes and packing materials under the Two Men and a Truck® mark. Two Men and a Truck’s predecessor began offering franchises in February 1989. As of December 31, 2021, Two Men and a Truck had 284 franchises and three company-owned locations operating in the United States.

Affiliates of Systems also offer franchises for operation outside the United States. Specifically, **ServiceMaster of Canada Limited** offers franchises in Canada and **ServiceMaster Limited** offers franchises in Great Britain and **Two Men and a Truck** offers franchises in Canada, Ireland and the United States.

**NBC Franchisor LLC** (“**NBC**”) franchises gourmet bakeries which offer and sell specialty bundt cakes, other food items and retail merchandise under the Nothing Bundt Cakes® mark. NBC’s

predecessor began offering franchises in May 2006. NBC became an Affiliated Program through an acquisition in May 2021. NBC has a principal place of business at 4560 Belt Line Road, Suite 350, Addison, Texas 75001. As of December 31, 2021, there were 409 Northing Bundt Cake franchises and 16 company-owned locations operating in the United States. NBC has never offered franchises in any other line of business.

**Mathnasium Center Licensing, LLC (“Mathnasium”)** franchises learning centers that provide math instruction using the Mathnasium<sup>®</sup> system of learning. Mathnasium began offering franchises in late 2003. Mathnasium became an Affiliated Program through an acquisition in November 2021. Mathnasium has a principal place of business at 5120 West Goldleaf Circle, Suite 400, Los Angeles, California 90056. As of December 31, 2021, there were 948 Mathnasium franchises and three affiliate-owned businesses. Mathnasium has never offered franchises in any other line of business.

**i9 Sports, LLC (“i9”)** franchises businesses that operate, market, sell and provide amateur sports leagues, camps, tournaments, clinics, training, development, social activities, special events, products and related services under the i9 Sports<sup>®</sup> mark. i9 began offering franchises in November 2003. i9 became an Affiliated Program through an acquisition in September 2021. i9 has a principal place of business at 9410 Camden Field Parkway, Riverview, Florida 33578. As of December 31, 2021, there were 192 i9 Sports franchises and one company-owned location. i9 has never offered franchises in any other line of business.

None of the affiliated franchisors are obligated to provide products or services to you; however, you may purchase products or services from these franchisors if you choose to do so.

Except as described above, we have no other parents, predecessors or affiliates that must be included in this Item.

### **Franchise Offering and Agreements**

We offer franchises to operate an Auntie Anne’s<sup>®</sup> Shop. Auntie Anne’s<sup>®</sup> Shops are retail outlets that sell fresh baked soft pretzels, lemonade, and related foods and beverages.

This Disclosure Document describes a franchise for the following Shop formats (all of which are collectively referred to as Shops):

- A Full Shop is a Shop where you produce and sell a full range of Auntie Anne’s products, which may include alcoholic beverages, from a space that will typically be located in malls, travel plazas, airports, outlet centers, casinos, strip centers, storefronts, train stations, and other retail locations. If you will operate a Full Shop, you will sign the Auntie Anne’s Franchise Agreement attached as Exhibit B to this Disclosure Document (the “**Franchise Agreement**”).
- A Concession Shop is a Shop where you produce and sell a range of Auntie Anne’s products from a temporary stand at a farmers’ market, concession trailer, or food truck. We only offer Concession Shops to existing franchisees that meet our qualifications. If you operate a Concession Shop, you will sign the Franchise Agreement, which is attached as Exhibit B to this Disclosure Document, and the Concession Shop Schedule, which is attached as Exhibit C to this Disclosure Document.

- A Cinnabon Co-Branded Shop is a Full Shop where you produce and sell a range of Auntie Anne's products in conjunction with those products authorized to be sold under the Cinnabon® franchise system. In order to operate a Cinnabon Co-Branded Shop, you must (i) purchase an Auntie Anne's® franchise from us, sign a Franchise Agreement with us, and sign the Co-Branded Shop Schedule, which is attached as Exhibit C to this Disclosure Document (the "**Co-Branded Shop Schedule**") and (ii) purchase a Cinnabon® franchise from Cinnabon and sign a Cinnabon® franchise agreement and co-branded schedule with Cinnabon. The terms of the Cinnabon® franchise offering, franchise agreement, and related agreements that Cinnabon will require you to sign are disclosed in the Cinnabon® Disclosure Document, which you must obtain from Cinnabon. We will not grant you the right to operate a Cinnabon Co-Branded Shop, unless Cinnabon agrees to offer you a Cinnabon® franchise and to permit the franchise to be operated at a co-branded location.
- A Jamba Co-Branded Shop is a Full Shop where you produce and sell a range of Auntie Anne's products in conjunction with those products authorized to be sold under the Jamba® franchise system. In order to operate a Jamba Co-Branded Shop, you must (i) purchase an Auntie Anne's® franchise from us, sign a Franchise Agreement with us, and sign the Co-Branded Shop Schedule and (ii) purchase a Jamba® franchise from Jamba and sign a Jamba® franchise agreement and co-branded schedule with Jamba. The terms of the Jamba® franchise offering, franchise agreement, and related agreements that Jamba will require you to sign are disclosed in the Jamba® Disclosure Document, which you must obtain from Jamba. We will not grant you the right to operate a Jamba Co-Branded Shop, unless Jamba agrees to offer you a Jamba® franchise and to permit the franchise to be operated at a co-branded location.

Unless otherwise noted, the disclosures in this Disclosure Document apply to all Shop formats. We refer to Cinnabon Co-Branded Shops and Jamba Co-Branded Shops collectively as "**Co-Branded Shops**," Cinnabon and Jamba as "**Co-Branded Franchisors**," the Cinnabon® franchises and Jamba® franchises as "**Co-Branded Franchises**," and the Cinnabon® and Jamba® Franchise Agreements as "**Co-Branded Agreements**."

As our franchisee, you will conduct business under the service mark "Auntie Anne's®" and any other identifying marks, trade names, logos and symbols that we use now, or that we later develop (the "**Proprietary Marks**" or "**Marks**"), and use our unique system for the establishment, development and operation of a Shop (the "**System**").

The System is characterized by a number of features including unique and recognizable exterior and interior layout and content for the physical stores; uniform requirements for display signs, equipment, color scheme, display cases, uniform systems of operation; Auntie Anne's Confidential Operations Manuals, which are made available electronically; furnishings and materials; our software and computer programs; our selection of approved products that you may offer and sell (the "**Approved Products**"); our proprietary recipes and formulae ("**Recipes**") used to create our proprietary flavorings or ingredients ("**Proprietary Ingredients**") and/or our proprietary Approved Products (the "**Proprietary Products**"); food and beverage storage preparation, procedures and techniques; proprietary products of Auntie Anne's such as lemonade, dips, glaze and other products now existing or developed in the future that you use and sell in your Shop that are distinctive as a result of being specially formulated pursuant to secret recipes and processes; operating procedures for sanitation and maintenance; and methods and techniques for inventory and cost controls, record keeping and reporting, personnel management, purchasing, sales promotion and advertising, the POS System; our customer service standards; any guidelines, standards, specifications, rules, procedures, policies,

methods, requirements, and directives we establish, including without limitation, our standards and specifications as to Recipes, ingredients, food and beverage preparation, food storage, interior and exterior design and décor, sanitation, maintenance, and equipment (the “**Standards**”) set out in our confidential operations manuals (the “**Manuals**”) and otherwise in writing. We may change, improve, add to, and further develop the elements of the System from time to time.

The form of Franchise Agreement we currently offer (Exhibit B to this Disclosure Document) may have terms different from the various forms of agreement we or our predecessors have used in the past. We reserve the right to change the form and terms of the Franchise Agreement in the future.

If you sign a Franchise Agreement and you do not yet have a location for your Shop that is accepted by us (“**Accepted Location**”), your Franchise Agreement will identify a venue or trade area that we negotiate with you in which you must locate an Accepted Location.

You must identify an individual, who is reasonably acceptable to us, to serve as your “**Primary Contact**.” The Primary Contact will be empowered with the responsibility and decision-making authority regarding the Shop and its operation, and we will have the right to rely upon the Primary Contact for such purposes.

In addition, you must appoint at least one full-time manager of your Shop (a “**Manager**”) who may also serve as the Primary Contact. All of your Managers must successfully complete our initial management training program (the “**Management Training Program**”) to our satisfaction. If you and your affiliates operate four or more Shops, in addition to your Manager for each Shop that you operate, we may require you to appoint one or more Managers with the responsibility of supervising and supporting multiple Shops (each, a “**Director of Operations**”).

We may, in our sole discretion, offer you the opportunity to enter into multiple franchise agreements at the same time, which will be accompanied by a Multi-Unit Addendum to the Franchise Agreement (the “**Multi-Unit Addendum**”) (the current form of which is attached as Schedule E to the Franchise Agreement that is attached as Exhibit B to this Disclosure Document). If you do not sign a Multi-Unit Addendum, you will have no rights to develop or operate more than one Shop, unless you sign additional Franchise Agreements.

As part of our application process, you must complete an application and successfully pass a financial credit check. You may also be asked to successfully complete a test of basic competency in the English language and a criminal background check.

### **Satellite Retail Units**

In certain circumstances and subject to availability, we also grant to qualified franchisees the right to operate a Satellite Retail Unit kiosk or cart (“**SRU**”) as an additional selling location within the mall, airport, enclosed building, or other retail location where an existing Shop is located (the “**SRU Program**”). We typically only offer the opportunity to operate an SRU to franchisees after they have operated their Shop for a period of time. If you will operate an SRU, you will sign the Satellite Retail Unit Addendum attached in Exhibit C of this Disclosure Document (the “**SRU Addendum**”), which modifies certain terms of the Franchise Agreement, and will be required to meet our insurance requirements for an SRU.

In addition, you must purchase or lease the SRU (which includes the POS System) from us or a third party that we approve. If you lease the SRU from us, you must sign the Satellite Retail Unit Lease Agreement attached in Exhibit C of this Disclosure Document (the “**SRU Lease Agreement**”).

We also may lease to you a baking SRU for use as a sales retail unit as an additional baking and selling location (“**Baking SRU Program**”). The Baking SRU Program requires the payment of a \$3,000 annual Remote Location Baking License Fee and includes options to convert to a full franchise with the payment of an Initial Franchise Fee.

### **Pretzel Bike Unit**

In certain circumstances and subject to availability, we also grant to qualified franchisees the right to operate a Pretzel Bike Unit (“**PBU**”) as an additional selling unit within a one-mile radius of the location of such franchisee’s existing Shop. If you operate a PBU you will sign the Pretzel Bike Unit Addendum attached in Exhibit C of this Disclosure Document (the “**PBU Addendum**”), which modifies certain terms of the Franchise Agreement.

### **Franchisee/Industry Contact Lead Referral Program**

We may pay a referral fee of \$5,000 for a Full Shop and \$1,000 for a Concession Shop to the first of our franchisees or real estate brokers that introduces a new prospective franchisee to us, if we approve the new prospect and we and the prospect sign a Franchise Agreement within six months after the referral is made and the prospective franchisee pays us the full Initial Franchise Fee (as defined in Item 5). If we pay the referral fee, we will do so after the referred prospective franchisee’s Franchise Agreement is fully signed and the full Initial Franchise Fee is paid. A prospective franchisee will not be considered new if the prospective franchisee (including any of the individual owners if the prospective franchisee is an entity) has signed a franchise agreement with any other brands in the Focus Brands Portfolio, and the referral fee will only be paid once in connection with the first franchise agreement signed with a brand in the Focus Brands Portfolio. You must be in full compliance with all Franchise Agreements between you and us in order to receive a referral fee. We reserve the right to terminate, cancel, or modify such referral program at any time.

### **Competition and the Market**

The market for our products and services is the general consuming public. Shops compete with all other sellers of baked goods and beverages, including supermarkets, convenience stores, restaurants, and other retail stores selling baked goods and beverages. We operate in an intensely and increasingly competitive, specialized baked goods and snack treat market, which is rapidly changing. There are local, regional, and national competitors (including both local businesses and other chain vendors, some of which may have more locations or longer operating histories than our Shops) that also specialize in hand-rolled soft pretzels and others may enter the market. We also have local, regional, and national competitors that offer different or more generalized offerings.

The retail food service business is highly competitive with respect to concept, price, location, food quality, and service. The business is often affected by economic and real estate conditions, political conditions, consumer tastes, population changes, the cost and availability of products and qualified labor, and traffic patterns. There also is significant competition for suitable commercial real estate sites and personnel, including management personnel.

You may also compete with the distribution and sale of Auntie Anne's® branded products through other outlets and sales channels. We may sell, or license affiliates or third parties to sell, Auntie Anne's® branded products (including products that you are likely to sell in your Shop) (i) at wholesale to restaurants and retail stores (including grocery stores, convenience stores, club stores, and other outlets) that may be located anywhere, (ii) through non-traditional outlets, (iii) through mail order and Internet sales, (iv) through ghost or delivery kitchens, or (v) through other company-owned or franchised Shops. You will not be entitled to additional rights or compensation in any of these cases. See Item 12 for details regarding our reserved rights.

### **Government Regulation and Certain Factors Affecting the Restaurant Industry**

You must comply with all federal, state, and local laws and regulations applicable to businesses generally, including, without limitation, laws and regulations related to workers' compensation, occupational health and safety, minimum wage, overtime, working conditions, discrimination, sexual harassment, tax, environmental protection, citizenship and/or immigration status (including laws requiring verification of status through the Department of Homeland Security's E-Verify program), and reasonable accommodations for employees and customers with disabilities (including the Americans with Disabilities Act).

You must ensure that your computerized point-of-sale system (the "**POS System**") or your credit card processing terminals (whichever are responsible for processing credit card transactions) are in compliance with the most current Payment Card Industry Data Security Standards ("**PCI-DSS**"). You also must comply with all applicable federal and state laws and regulations relating to the collection, use, and security of personal information and comply with any privacy policies or data protection and breach response policies we periodically may establish.

Various federal agencies, including the U.S. Food and Drug Administration and the U.S. Department of Agriculture, and state and local health and sanitation agencies have regulations for the preparation of food and the condition of restaurants and food service facilities. You must comply with all federal, state, and local laws and regulations applicable to restaurants and food service facilities, including, without limitation, licensing, health, sanitation, menu labeling, food preparation and packaging, smoking, safety, fire, and other matters. Some jurisdictions may require franchisees to obtain restaurant, business, occupational, food products, health, and miscellaneous licenses.

The Clean Air Act and state implementing laws also may require certain geographic areas to attain and maintain certain air quality standards for ozone, carbon monoxide and particulate matters. As a result, businesses involved in commercial food preparation may be subject to caps on emissions.

We do not assume any responsibility for advising you on these regulatory or legal matters. You should consult with your attorney about federal, state, and local laws and regulations that may affect your Shop. Compliance with these laws and regulations, as they may be amended from time to time, can increase your operational costs and affect your bottom line.

## **ITEM 2. BUSINESS EXPERIENCE**

### **James (Jim) E. Holthouser: Chief Executive Officer**

Jim has been our Chief Executive Officer since February 2020. Since February 2020, Jim has also served as (i) President of Focus Systems, (ii) Chief Executive Officer of Focus Brands, JJ,

each of the Former Focus Franchisors, and each of the other Focus Brands Portfolio companies, and (iii) a member of the Board of Managers for Focus Brands, JJ, and each of the Former Focus Franchisors. From February 2018 to January 2020, Jim was the owner of Madison County Multiplex, LLC in Stanford, Kentucky. From June 2012 to January 2018, Jim was the Executive Vice President, Global Brands, Marketing and Loyalty at Hilton Corporation in McLean, Virginia. Jim serves in his present capacities in Atlanta, Georgia.

**Michael (Mike) J. Dixon: Chief Financial Officer, Treasurer and Assistant Secretary**

Mike has been our Chief Financial Officer, Treasurer and Assistant Secretary since March 2017. Mike has been Chief Financial Officer, Treasurer and Assistant Secretary for (i) AA, Focus Brands, and each of the other Former Focus Franchisors since March 2016, (ii) Focus Systems and the other Focus Brands Portfolio companies (except Jamba) since March 2017, and (iii) Jamba and JJ since September 2018. Mike has also served as a member of the Board of Managers or Board of Directors for Focus Brands and each of the other Former Focus Franchisors since March 2017 and for JJ since September 2018. Mike serves in his present capacities in Atlanta, Georgia.

**Brian Krause: Chief Development Officer**

Brian has been our Chief Development Officer since July 2020. Brian has also served in the same role for Focus Brands and AA since July 2020. From June 2019 to June 2020, Brian was the Chief Development Officer for Jimmy John's Franchise, LLC in Champaign, Illinois. From November 2016 to May 2019, Brian was the Senior Vice President, Franchise Development for Wyndham Hotel Group in Parsippany, New Jersey. Brian serves in his present capacities in Atlanta, Georgia.

**Alisa Gmelich: Chief Brand Officer**

Alisa has been our Chief Brand Officer since December 2020. Alisa has also served in the same role for AA since December 2020. From August 2020 to November 2020, Alisa was an independent contractor and strategy consultant for foodservice companies. From January 2015 to August 2020, Alisa was the Vice President, Marketing for International House of Pancakes, a division of Dine Brands Global Inc., in Glendale, California. Alisa serves in her present capacities in Atlanta, Georgia.

**Sarah E. Powell: Executive Vice President, General Counsel and Secretary**

Sarah has been our Executive Vice President, General Counsel and Secretary since March 2017. Sarah has also served in the same roles for (i) AA, Focus Brands, and each of the Former Focus Franchisors since January 2015, (ii) Focus Systems and the other Focus Brands Portfolio companies (except Jamba) since March 2017, and (iii) Jamba and JJ since September 2018. Sarah has also served as a member of the Board of Managers or Board of Directors for Focus Brands and each of the other Former Focus Franchisors since March 2017 and for JJ since September 2018. Sarah serves in her present capacities in Atlanta, Georgia.

**Kristen Hartman: Senior Vice President of Auntie Anne's and President, Specialty Brands for Focus Brands**

Kristen has served as our Senior Vice President since September 2020. She has also served as (i) President, Specialty Brands for Focus Brands since September 2020, (ii) Senior Vice President



for AA, Jamba, and JJ since September 2020, and (iii) Senior Vice President for Carvel, Carvel LLC, Cinnabon, and Cinnabon LLC since December 2020. From March 2019 to December 2020, Kristen was the President of Carvel and Carvel LLC. From March 2018 to December 2020, Kristen was the President of Cinnabon and Cinnabon LLC. From December 2016 to March 2018, Kristen was the Senior Vice President, Brand Marketing Strategy for Focus Brands in Atlanta, Georgia. Kristen serves in her present capacities in Atlanta, Georgia.

**Tim Goodman: Senior Vice President, Franchise Administration**

Tim has been our Senior Vice President, Franchise Administration since February 2019. He has also served in the same role for JJ, the Former Focus Franchisors, and the Focus Brands Portfolio companies since February 2019. He served as the Vice President, Franchise Administration for (i) us and the Focus Brands Portfolio companies (except Jamba) from March 2017 to January 2019, (ii) the Former Focus Franchisors from February 2005 to January 2019, and (iii) JJ and Jamba from September 2018 to January 2019. Tim serves in his present capacities in Atlanta, Georgia.

**Bobby Morena: Vice President, Retention and Lead Generation**

Bobby has been our Vice President, Retention and Lead Generation since April 2021. Bobby has also served in the same role for Focus Brands since April 2021. From February 2020 to April 2021, Bobby was the Director of Franchise Development for Inspire Brands in Atlanta, Georgia. From September 2001 to February 2020, Bobby was Director of Franchise Development for Jimmy John's Franchise, LLC in Champaign, Illinois. Bobby serves in his present capacities in Atlanta, Georgia.

**Jesse Sherer: Vice President, Operations**

Jesse has been our Vice President, Operations since September 2020. Jesse has also been AA's Vice President, Operations since September 2020. Jesse was Director of Operations for us from April 2017 to September 2020 and a Franchise Business Consultant for AA from January 2014 to September 2020. Jesse serves in his present capacity in Ladera Ranch, California.

**Beto Guajardo: President, International for Focus Brands**

Beto has been the President, International for Focus Brands since April 2020. From September 2019 to March 2020, Beto was the President of Schlotzsky's and Schlotzsky's Franchise LLC. From January 2014 to August 2019, Beto served as the Senior Vice President, Global Strategy for Starbucks Corporation in Seattle, Washington. Beto serves in his present capacities in Atlanta, Georgia.

**Jackie Secor: Senior Vice President, Category Operations and Training, Specialty Brands for Focus Brands**

Jackie has been the Senior Vice President, Category Operations and Training, Specialty Brands for Focus Brands since September 2020. Jackie was our Vice President, Operations from March 2017 to September 2020. She was Vice President, Operations for AA from May 2016 to February 2017. Jackie serves in her present capacities in Atlanta, Georgia.

**Kerri Christian: Senior Vice President, Category Marketing, Specialty Brands for Focus Brands**

Kerri has been the Senior Vice President, Category Marketing, Specialty Brands for Focus Brands since March 2022. Kerri was Vice President, Marketing Global Channels for Focus Brands from July 2017 to March 2022. From May 2015 to July 2017, she was a Marketing Director for The Home Depot in Atlanta, Georgia. Kerri serves in her present capacities in Atlanta, Georgia.

**Steve Parker: Senior Vice President, Design and Construction for Focus Brands**

Steve has been Senior Vice President, Design and Construction for Focus Brands since January 2015. Steve serves in his present capacities in Atlanta, Georgia.

**Michael Clem: Senior Vice President, Real Estate for Focus Brands**

Michael has been the Senior Vice President, Real Estate for Focus Brands since January 2021. From June 2017 to December 2020, he was the Vice President, Real Estate for Focus Brands. From September 2014 to May 2017, Michael was the Vice President of Real Estate for Kirklands, Inc. in Nashville, Tennessee. Michael serves in his present capacities in Atlanta, Georgia.

**Thomas (Tom) R. Richards: Vice President, Non-Traditional Franchise Sales for Focus Brands**

Tom has been the Vice President, Non-Traditional Franchise Sales for Focus Brands since July 2017. From April 2016 to June 2017, Tom was the Executive Director, Non-Traditional Development for DineEquity Inc. in Plano, Texas. Tom serves in his present capacities in Plano, Texas.

**Heather Lane: Vice President, Training and Ops Services, Specialty Brands for Focus Brands**

Heather has been the Vice President, Training and Ops Services, Specialty Brands for Focus Brands since September 2020. From July 2017 to September 2020, Heather was self-employed as an independent contractor working for various organizations in Atlanta, Georgia. From March 2012 to June 2017, she was the Senior Director of Learning and Development for Focus Brands in Atlanta, Georgia. Heather serves in her present capacities in Atlanta, Georgia.

**Cynthia Liu: Vice President, Marketing for Focus Brands**

Cynthia has been the Vice President, Marketing for Focus Brands since November 2020. From June 2010 to November 2020, Cynthia was the Director of Marketing for The Hershey Company in Hershey, Pennsylvania. Cynthia serves in her present capacities in Atlanta, Georgia.

**Michael Bruno: Vice President, Franchise Sales for Focus Brands**

Michael has been the Vice President, Franchise Sales for Focus Brands since November 2021. From January 2021 to November 2021, Michael was Senior Director of Franchise Sales for Focus Brands. From July 2018 to January 2021, Michael was Director of Franchise Sales for Focus Brands. From April 2013 to July 2018, Michael was the Vice President of Franchise Development for Smoothie King in Metairie, Louisiana. Michael serves in his present capacities in Atlanta, Georgia.

### **Christopher (Chris) Burdette: Vice President, Franchise Sales for Focus Brands**

Chris has been Vice President, Franchise Sales for Focus Brands since June 2017. From April 2014 to June 2017, Chris was the Managing Director at Best Western Hotels & Resorts in Atlanta, Georgia. Chris serves in his present capacities in Atlanta, Georgia.

### **ITEM 3. LITIGATION**

#### **Disclosures Regarding Auntie Anne's**

Michael K. Raymond, et al. v. Auntie Anne's, LLC, et al., 21-CVS-13552 (Mecklenburg North Carolina Superior Court). On August 20, 2021, Michael K. Raymond, Heather C. Raymond, Twisted Pretzels, LLC and Raymond & Raymond, Inc. (collectively, the "**Raymond Parties**"), former franchisees who operated two Franchised Businesses in Charlotte, North Carolina (collectively, the "**Raymond Businesses**"), filed a suit against Auntie Anne's, an Auntie Anne's franchisee to whom the Raymond Parties sold the Raymond Businesses, and the landlord of the Raymond Businesses, alleging that the defendants had conspired to force the Raymond Parties to sell the Raymond Businesses on a distressed sale basis, based on varying legal theories. The specific claim against Auntie Anne's is that it violated the North Carolina Unfair and Deceptive Trade Practices Act, N.C. Gen. Stat. §75-1.1 et seq., by terminating the Raymond Parties' franchise agreements without just cause, thereby forcing the Raymond Parties to sell them to the franchisee-defendant at a fraction of their fair market value and by refusing to cooperate with the Raymond Parties in the transfer of the franchise agreements. The Raymond Parties seek actual damages in an unspecified amount in excess of \$75,000 and statutory treble damages and attorneys' fees. On November 5, 2021, Auntie Anne's filed a motion to dismiss and, in the alternative, to stay litigation pending arbitration pursuant to the arbitration provisions in the franchise agreements. On February 1, 2022, the parties filed a stipulation to stay the litigation of the claims against Auntie Anne's pending arbitration.

#### **Disclosures Regarding Affiliated Programs**

The following affiliates who offer franchises resolved actions brought against them with settlements that involved their becoming subject to currently effective injunctive or restrictive orders or decrees. None of these actions have any impact on us or our brand nor allege any unlawful conduct by us.

The People of the State of California v. Arby's Restaurant Group, Inc. (California Superior Court, Los Angeles County, Case No. 19STCV09397, filed March 19, 2019). On March 11, 2019, our affiliate, Arby's Restaurant Group, Inc. ("**ARG**"), entered into a settlement agreement with the states of California, Illinois, Iowa, Maryland, Massachusetts, Minnesota, New Jersey, New York, North Carolina, Oregon and Pennsylvania. The Attorneys General in these states sought information from ARG on its use of franchise agreement provisions prohibiting the franchisor and franchisees from soliciting or employing each other's employees. The states alleged that the use of these provisions violated the states' antitrust, unfair competition, unfair or deceptive acts or practices, consumer protection and other state laws. ARG expressly denies these conclusions but decided to enter into the settlement agreement to avoid litigation with the states. Under the settlement agreement ARG paid no money but agreed (a) to remove the disputed provision from its franchise agreements (which it had already done); (b) not to enforce the disputed provision in existing agreements or to intervene in any action by the Attorneys General if a franchisee seeks to enforce the provision; (c) to seek amendments of the existing franchise agreements in the applicable states to remove the disputed provision from the agreements; and (d) to post a notice and ask franchisees to post a notice to employees about the disputed provision. The applicable

states instituted actions in their courts to enforce the settlement agreement through Final Judgments and Orders, Assurances of Discontinuance, Assurances of Voluntary Compliance, and similar methods.

The People of the State of California v. Dunkin' Brands, Inc., (California Superior Court, Los Angeles County, Case No. E25636618, filed on March 19, 2019.) On March 14, 2019, our affiliate, Dunkin Brands, Inc. ("**DBI**"), entered into a settlement agreement with the Attorneys General of 13 states and jurisdictions concerning the inclusion of "no-poaching" provisions in Dunkin' restaurant franchise agreements. The settling states and jurisdictions included California, Illinois, Iowa, Maryland, Massachusetts, New Jersey, New York, North Carolina, Pennsylvania, Rhode Island, Vermont, and the District of Columbia. A small number of franchise agreements in the Dunkin' system prohibit Dunkin' franchisees from hiring the employees of other Dunkin' franchisees and/or DBI's employees. A larger number of franchise agreements in the Dunkin' system contain a no-poaching provision that prevents Dunkin' franchisees and DBI from hiring each other's employees. Under the terms of the settlement, DBI agreed not to enforce either version of the no-poaching provision or assist Dunkin's franchisees in enforcing that provision. In addition, DBI agreed to seek the amendment of 128 franchise agreements that contain a no-poaching provision that bars a franchisee from hiring the employees of another Dunkin' franchisee. The effect of the amendment would be to remove the no-poaching provision. DBI expressly denied in the settlement agreement that it had engaged in any conduct that had violated state or federal law and, furthermore, that the settlement agreement should not be construed as an admission of law, fact, liability, misconduct, or wrongdoing on the part of DBI. The Attorney General of the State of California filed the above-reference lawsuit in order to place the settlement agreement in the public record, and the action was closed after the court approved the parties' stipulation of judgment.

New York v. Dunkin' Brands, Inc. (N.Y. Supreme Court for New York County, Case No. 451787/2019, filed September 26, 2019). In this matter, the N.Y. Attorney General ("**NYAG**") filed a lawsuit against our affiliate, DBI, related to credential-stuffing cyberattacks during 2015 and 2018. The NYAG alleged that the cyber attackers used individuals' credentials obtained from elsewhere on the Internet to gain access to certain information for DD Perks customers and others who had registered a Dunkin' gift card. The NYAG further alleged that DBI failed to adequately notify customers and to adequately investigate and disclose the security breaches, which the NYAG alleged violated the New York laws concerning data privacy as well as unfair trade practices. On September 21, 2020, without admitting or denying the NYAG's allegations, DBI and the NYAG entered into a consent agreement to resolve the State's complaint. Under consent order, DBI agreed to pay \$650,000 in penalties and costs, issue certain notices and other types of communications to New York customers, and maintain a comprehensive information security program through September 2026, including precautions and response measures for credential-stuffing attacks.

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

#### **ITEM 4. BANKRUPTCY**

No bankruptcy is required to be disclosed in this Item.

#### **ITEM 5. INITIAL FEES**

**Initial Franchise Fees.** When you sign a Franchise Agreement, you must pay us an initial franchise fee (the "**Initial Franchise Fee**") of \$35,500 for a Full Shop, \$10,500 for a Concession

Shop, \$66,000 for a Cinnabon Co-Branded Shop (\$30,500 of which will be paid to Cinnabon), and \$71,000 for a Jamba Co-Branded Shop (\$35,500 of which will be paid to Jamba). We will not refund any part of the Initial Franchise Fee.

We participate in the International Franchise Association's VetFran program. For qualifying veterans or members of the Armed Forces, the Initial Franchise Fee for a Full Shop is \$20,000.

We reserve the right to reduce the Initial Franchise Fee under certain circumstances, including: (i) as an economic incentive for a franchisee to open a certain location, with the determination made on a case-by-case review of all relevant economic factors; (ii) as an inducement for existing operators to open additional Shops; (iii) as an inducement for someone to reopen a closed Shop; (iv) as an inducement for someone to take over an operating Shop; (v) as an inducement for a professional multi-unit operator to open several Shops; or (vi) to allow a franchisee to have additional money to spend on shop improvements and marketing during the first 12 months of operation. The amount of any reduction will be made on an individual basis and may depend on the condition of the premises, the need for upgrades and remodeling, any special circumstances that we may consider appropriate, and/or other considerations. In addition, we may allow a new franchisee to apply part of their Initial Franchise Fee to the cost of needed improvements or equipment. We may modify or cease offering any discount or incentive programs at any time.

During the 2021 calendar year, franchisees paid Initial Franchise Fees ranging from \$0 to \$35,500.

If you sign multiple Franchise Agreements at the same time with a Multi-Unit Addendum to develop a set number of Shops, you must pay us all of the Initial Franchise Fees for all of the Shops that you commit to develop at the time you sign the Franchise Agreements with a Multi-Unit Addendum. If you fail to develop any of the Shops by the deadlines set forth therein or any Franchise Agreement(s) subject to the Multi-Unit Addendum are terminated, you will not receive a refund of any Initial Franchise Fees that you have prepaid.

In certain rare circumstances, we may permit installment payments of the Initial Franchise Fee on terms negotiated with the franchisee.

**Plan Review Fee.** After our initial review of your proposed layouts, renderings, plans, and specifications for the Shop, which must include interior and exterior elevations of the Accepted Location (the "**Architectural Plans**") at no cost and our review of one revised set of Architectural Plans that incorporate our required changes at no cost, we may charge a fee of \$1,000 for each set of drawings we review that include any other modifications from the plans that we have previously accepted.

**Training Fee.** We will provide our Management Training Program to one Manager (who may be you, if you are an individual, or your Primary Contact), one other employee who will be involved in the operation of the Shop, and any other individuals that we designate (the "**Required Trainees**") at no charge. We will also provide a modified Management Training Program to your Primary Contact (if they are not also a Manager) at no charge. If (i) you would like other individuals to attend the Management Training Program or (ii) your Required Trainees are trained in separate sessions, you must pay us our then-current fee, which is currently up to \$500 per additional trainee per day.

**On-Site Training and Assistance Fee.** For your first two Full Shops (including Full Shops owned by your affiliates), the Initial Franchise Fee includes the cost of us providing one or more representatives to provide on-site opening training and assistance at your Shop. For your first

two Concession Shops (including Concession Shops owned by your affiliates), we may, but are not required to, send a representative for up to two days of on-site assistance. For your (or your affiliates') subsequent Shops, if we, in our sole discretion, provide on-site training or assistance (at your request or because we determine such assistance is necessary), you must pay us our then-current On-Site Training and Assistance Fee (currently, up to \$500 per trainer per day, plus their travel and living expenses).

**Co-Branded Shops.** If you operate a Co-Branded Shop, a portion of the Initial Franchise Fee will be paid to the Co-Branded Franchisor under the Co-Branded Agreement, as described above and in the Co-Branded Franchisor's Franchise Disclosure Document. We and the Co-Branded Franchisor will jointly collect and split the other initial fees described in this Item 5.

**All Initial Fees.** Except as disclosed above, you do not pay any other fees or payments for services or goods before your Shop opens. The initial fees are not refundable.

#### ITEM 6. OTHER FEES

| Type of Fee <sup>1, 3</sup> | Amount  | Date Due   | Remarks                                       |
|-----------------------------|---|--|---|
| Royalty Fee                 | 7% of Net Sales, which we may increase in our sole discretion to 8% of Net Sales, for all Shops except: 6% of Net Sales for Jamba Co-Branded Shops, which we may increase in our sole discretion to 7% of Net Sales | Payable weekly on the date specified in the Manuals (the "Payment Due Date") | See Note 2 for the definition of "Net Sales." |

| Type of Fee <sup>1, 3</sup>          | Amount  | Date Due              | Remarks  |
|--------------------------------------|---|-----------------------|--|
| Advertising Contribution             | <p>Currently, 1% of Net Sales for Shops located in Other Locations;</p> <p>3% of Net Sales for Shops located in Streetside Locations;</p> <p>3% of Net Sales for Cinnabon Co-Branded Shops (regardless of location), which cannot be increased; and</p> <p>3% of Net Sales for Jamba Co-Branded Shops (regardless of location), which we may increase in our sole discretion to 4% of Net Sales</p> | Payment Due Date      | <p>You must contribute the Advertising Contribution to the Ad Fund (as defined in Item 11). We may increase the Advertising Contribution by notice to franchisees. However, your required Advertising Contribution and Local Marketing Obligation may not exceed 5% of your Net Sales for all Shops, other than Co-Branded Shops. <b>“Streetside Locations”</b> include freestanding, inline, and endcap locations on city streets or in shopping centers (including power centers, lifestyle centers, and strip centers, but excluding malls (enclosed and open air) and outlet malls and centers). <b>“Other Locations”</b> include all locations other than Streetside Locations, including airports, amusement parks, big box stores, casinos, colleges, convenience stores, farmer’s markets, military bases, malls (enclosed and open air), co-branded Subways®, outlet malls and centers, sports and entertainment venues, train stations, transportation centers, travel plazas, truck stops, universities, Walmarts®, and zoos.</p> |
| Advertising Cooperative Contribution | An amount set by your Advertising Cooperative   | Payment Due Date      | <p>All members of an Advertising Cooperative (as defined in Item 11), whether a franchisee-owned, company-owned or affiliate-owned Shop, have voting rights on matters brought before the Advertising Cooperative for a vote, including matters relating to the amount of the required Advertising Cooperative contribution.</p>   |
| Local Marketing Obligation           | Currently, each calendar quarter, you must spend not less than 1% of Net Sales on local market advertising  | Each calendar quarter | <p>We may specify a minimum amount that you must spend on local market advertising (the <b>“Local Marketing Obligation”</b>), which we may change upon 60 days’ written notice. See Item 11 for what will count toward meeting your obligation. If you fail to make the minimum advertising expenditures, we may do so on your behalf and you must reimburse us for our expenses. We may also elect to collect all or a portion of the Local Marketing Obligation from you and (i) contribute it to the Ad Fund, (ii) conduct national, regional, or local advertising, (iii) spend it on local advertising, or (iv) contribute it to your Advertising Cooperative.</p>  |

| Type of Fee <sup>1, 3</sup> | Amount   | Date Due                    | Remarks  |
|-----------------------------|--|-----------------------------|--|
| Promotions                  | Costs to purchase, lease and install all materials necessary for promotional campaigns, including counter cards, posters, banners, signs, photographs, give-away items, loyalty cards, and gift cards. We may charge you our costs plus a reasonable administrative fee. | As incurred                 | You will participate at your own cost in promotional programs that we establish, and the promotional programs will be applicable to the System as a whole or to specific advertising market areas. You also will participate in promotional programs your Advertising Cooperative establishes.   |
| Insufficient Funds Fee      | Our out-of-pocket costs and an administrative fee  | On invoice                  | If we draft money from your account under our electronic funds transfer (“EFT”) or draft system, and there are insufficient funds to cover the draft, we will charge you the return costs charged by our bank and an administrative fee to cover our costs of addressing the nonpayment. This fee is in addition to interest on the amount due.  |
| Interest                    | The lesser of 1.5% per month or the maximum legal interest rate  | On invoice                  | You must pay us or our affiliates interest on any amounts past due to us or our affiliates.  |
| Late Reporting Fee          | Our then-current fee. Currently, \$50 per day  | On invoice                  | You must pay this late fee if you fail to submit timely, complete and accurate reports, financial statements, tax returns, and statements of initial investment costs when due.  |
| Taxes and Other Payments    | Our cost   | Within 10 days after demand | You must pay us or our affiliates (i) all sales taxes, corporate taxes, and any similar taxes paid by us on your behalf, imposed on us, or required to be collected by us on account of products or services we furnish to you (through sale, lease, or otherwise) or on account of our collection of any fee related to the Franchise Agreement; (ii) all franchise or similar taxes, whether based on gross receipts, gross revenues, Royalty Fees, Advertising Contributions, or otherwise, imposed on, required to be collected by, or |



| Type of Fee <sup>1, 3</sup>                | Amount   | Date Due                  | Remarks   |
|--|--|---------------------------|---|
|  |  |                           | paid by us; (iii) all marketplace facilitator or similar taxes imposed on, required to be collected by, or paid by us in connection with your use of our website, internet sites, applications, or online ordering platforms; (iv) all other amounts we pay or must pay for you for any reason; and (v) any other fees or expenses that we are entitled to collect from you.                      |
| Subsequent Trainee Management Training Fee | Currently, up to \$500 per trainee per day   | Before attending training | You must pay this fee if you appoint a new Manager, Primary Contact, Director of Operations, or other person we designate after your Shop opens, and we provide the Management Training Program to them.  |
| On-Site Training and Assistance Fee        | A reasonable fee, currently, \$500 per day per trainer plus trainers' travel and living expenses                       | On invoice                | At any time, you can request, or we may require, on-site training and assistance above that which we must provide. We have no obligation to provide on-site training or assistance.   |
| Additional Support/ Consulting Fee         | A reasonable fee, currently, \$500 per day, plus travel and living expenses  | On invoice                | We may offer you consultation services beyond the support services under the Franchise Agreement, and if you accept them, we can charge you a consulting fee.   |
| Conference/ Program Fee                    | A reasonable fee, which will vary by program.  | As incurred               | We may charge you a reasonable fee for any conferences, conventions, programs, or training sessions that we conduct. We expect these fees to range from \$0 to \$2,500.   |
| Training Cancellation Fee                  | Our out-of-pocket costs  | On invoice                | If you fail to cancel scheduled training at least 14 days prior to such training or if you are not prepared to successfully complete training, we may charge you the cost of conducting the originally scheduled training (including any training fees and any travel and living expenses incurred by our representatives) and may require you to pay an additional fee for rescheduled training. |
| Learning Management System License Fee     | The then-current fee. Currently, \$40 per year. In the future, the fee is expected to be approximately \$200 per year. | As incurred               | We require you to license an electronic learning management system (the “ <b>Learning Management System</b> ”) to participate in certain required training programs and access the Manuals. We may require you to pay this fee to us, an affiliate, or a third-party vendor. This fee may change from time to time.   |

| Type of Fee <sup>1, 3</sup>           | Amount  | Date Due                               | Remarks   |
|---------------------------------------|---|--|---|
| Carvel® Product Platform Training Fee | \$750   | On invoice                             | If you offer Carvel® products at the Shop, you must pay us a training fee for our representatives to provide two days of related on-site training.  |
| Regional Advisory Council Dues        | Currently, \$250 per scheduled Council meeting in a given year (for two representatives to attend) and \$125 for each additional participant per Council meeting. | By March 30 <sup>th</sup> of each year | We typically conduct one to two Regional Advisory Council meetings per year, which means that the dues will range from \$250 to \$500 per year for two participants. We can adjust the fees at any time.  |
| Plan Review Fee                       | \$1,000 per set of drawings   | On invoice                             | After our initial review of your Shop plans at no cost and a review of a revision incorporating our comments at no cost, we may charge a fee of \$1,000 for each additional set of drawings we review that include any modifications from the plans that we have previously accepted.   |
| Sublease Administration Fee           | \$200 monthly   | As incurred                            | If you sublease a Shop from us, you must pay us this fee to compensate us for our administrative expenses and is in addition to any fees under the sublease such as rent, insurance, public utility charges, late fees, alterations and improvements.   |
| Lease Renewal/ Extension Review Fee   | Our then-current fee. Currently, \$2,000.   | As incurred                            | If you renew a lease or a lease is extended by the landlord for a period of 12 months or more, you must obtain our approval of the lease and, in our sole discretion, pay this fee, which we may change from time to time. Our review of the lease will be limited to determining whether it complies with the Franchise Agreement. |
| Lease Documentation Late Fee          | \$500 per month (or partial month) until delivered  | As incurred                            | We may charge you this fee if you fail to provide us with a signed copy of any lease or a modification, amendment, or renewal of a lease within 15 days after its execution. The fee is payable for each month or partial month after the deadline, until you provide the documentation.  |

| Type of Fee <sup>1, 3</sup>        | Amount  | Date Due            | Remarks  |
|------------------------------------|---|---------------------|--|
| SRU Initial Setup and Rental Fees  | (i) \$500 set-up fee; (ii) \$1,000 security deposit; (iii) shipping expenses (est. to be \$1,500 to \$5,000); (iv) ongoing monthly rental fee equal to a flat dollar amount or a percentage of Net Sales (currently, 8%), up to a maximum dollar amount (currently, \$1,600 to \$2,500) | As incurred         | If we grant you the right to participate in the SRU Program and you lease the SRU from us, you will incur these initial setup and ongoing fees. The maximum SRU monthly rental fee will vary based on the type of SRU. The rental fee and maximum rental fee may be increased upon 30 days' written notice.  |
| SRU Training Fees                  | \$750   | As incurred         | If you participate in the SRU Program, we may, in our sole discretion, provide one day of installation and up to two days of on-site training, whether you purchase or lease the SRU from us or another approved vendor.   |
| SRU Lease Termination Fees         | Our actual expenses   | As incurred         | Upon the termination or expiration of the SRU Lease Agreement, you must pay us (i) the cost incurred by us to return the SRU (estimated to be \$1,500 to \$5,000), (ii) the cost to repair and replace lost or damaged items (less the security deposit), (iii) the cost to remove any customizations (which will be prorated), and (iv) if terminated in first year of the lease, the maximum monthly rental rate for each month between the termination date and the first anniversary of lease. |
| Remote Location Baking License Fee | \$3,000 per year  | As Incurred         | For certain venues, such as stadiums, which may not be suitable for a full franchise or other program, we may allow you to bake products at your Shop and sell products at the alternate location. This annual fee applies when baking is done at a location remote from the franchised location.  |
| Relocation Fee                     | 10% of the then-current Initial Franchise Fee   | Before you relocate | If you relocate to a new site that we have accepted, you must pay the Relocation Fee.  |

| Type of Fee <sup>1, 3</sup>                 | Amount   | Date Due  | Remarks  |
|---|--|---|--|
| Relocation Extension Fee                    | \$1,500 per year that the term is extended   | Before we sign relocation Franchise Agreement   | If you relocate to a new site and we agree to extend the term of your Franchise Agreement (or enter into a new Franchise Agreement) to match the term of your new lease, you must pay the Relocation Extension Fee in addition to the Relocation Fee.  |
| Refresh/ Remodel Site Survey and Design Fee | Our then-current fee. Currently, such fee is approximately \$1,200 to \$6,000 depending on the scope of the required changes.  | As incurred                                     | You must refresh your Shop every five years and must remodel your Shop every ten years to meet our then-current Standards. We may require you to pay us, our affiliates, or our designee this fee to inspect your Shop and produce a site survey and/or design plan that will comply with these obligations.   |
| Transfer Fee                                | 50% of the then-current Initial Franchise Fee if it is a Control Transfer; if it is a transfer to a related party or that is not a Control Transfer, 10% of the then-current Initial Franchise Fee | At transfer closing                             | Payable to us if you transfer any interest in your Franchise Agreement or Shop. A "Control Transfer" occurs if there is a transfer of (i) any interest in the Franchise Agreement, (ii) the Shop or substantially all of its assets, (iii) more than 20% of the ownership interests in you, or (iv) any interests that result in a change in control of your entity. See Item 17.k for the definition of "transfer." |
| Renewal Fee                                 | 20% of the then-current Initial Franchise Fee  | Before we sign the renewal franchise agreement. | Payable to us if you enter into a renewal term. See Item 17.   |
| Computer Systems Fee                        | A reasonable fee, which will vary based on the services provided   | As needed                                       | Paid to contractors, or us or our affiliates, as applicable. We may charge a reasonable systems fee for modifications and enhancements and other maintenance and support services related to the Computer System (as defined in Item 11). The amount for upgrades and maintenance varies based on the extent of the upgrade or services provided.  |

| Type of Fee <sup>1, 3</sup>                   | Amount   | Date Due    | Remarks  |
|---|--|-------------|--|
| POS System Support Fee                        | Currently, estimated to be between \$50 and \$250 per month  | As incurred | You must remit this fee to us or our affiliate (or a third-party vendor approved by us) for software and hardware support for your POS System. The support service includes helpdesk support, trouble shooting, menu management, third-party integrations, and collection of sales data from your POS System overnight. This fee is subject to change. |
| Non-Focus Brands Portfolio POS Menu Setup     | A reasonable fee, currently estimated to be \$500 per day  | As incurred | If we permit you to operate a co-branded location with a brand that is not in the Focus Brands Portfolio and such brands' sales are processed through the POS System, we may charge you a fee to add the other brands' menu to the POS System or to subsequently modify it.  |
| Mobile Device Management Software License Fee | Currently, estimated to be between \$6 and \$30 per month  | As incurred | Mobile device management software is required to be installed on each POS System and customer display system (such as a guest-facing or crew-facing iPad®). Currently, this fee is collected by us and paid to the vendor. This fee is subject to change.  |
| Back Office and Polling Software Fee          | Currently, not charged. Estimated to be between \$100 and \$200 per month  | As incurred | Currently we do not, but in the future we may require you to remit this fee to us, our affiliate, or a third-party vendor that provides the back office and polling software for your Computer System.   |
| Credit Card Fees                              | Transaction fees estimated to be from 2.5% to 5% of transaction amounts. Other fees may apply depending on the vendor used for credit card processing. | As incurred | We may require that you use a specific credit card processing company and/or gateway. Currently, we do not collect any fees for credit card processing, but we may charge for our administrative cost for this activity.   |

| Type of Fee <sup>1, 3</sup>              | Amount  | Date Due    | Remarks  |
|--|---|-------------|--|
| Information Security and Compliance Fees | Amount of fees; estimated to be between \$75 and \$150 per month. | As incurred | You must remit this fee to us, our affiliate, or a third-party vendor. This fee is subject to change. We may require that you use one or more Approved Suppliers to provide credit card data and security services that are consistent with PCI-DSS requirements, including a managed firewall, quarterly network scan, anti-virus/anti-malware software, and managed Wi-Fi. We may also require you to obtain data breach protection insurance provided by such Approved Supplier. We require that you submit annually proof of your PCI-DSS compliance status. We may also charge an administrative fee to review your systems and verify your compliance with these requirements.   |
| Gift Card and Loyalty Program Fees       | Amount of administrative fees                                     | As incurred | You must participate in the gift card, loyalty, and other electronic incentive programs (the “ <b>Gift Card and Loyalty Programs</b> ”) that we establish, using vendors that we designate, which may include us or our affiliates. We or our affiliates may charge, or collect on behalf of our vendors, an administrative cost for participating in these programs. Currently, our gift card distributor retains 7.75% or 12% of the value of a gift card purchased from a retailer other than a Shop (with the percentage varying by retailer). If a gift card is redeemed in your Shop, we will reimburse the redeemed amount minus the 7.75% or 12% administrative fee retained by the vendor. In addition, currently, you must pay our designated gift card processor \$4.50 per Shop per month to cover unlimited transactions and settlement processing. |
| Loyalty App Fee                          | Currently, \$45 per month   | As incurred | You are required to participate in our loyalty program. This fee is payable to us or a vendor that we designate for use of our designated loyalty app.   |
| Online Ordering Fee                      | Currently, \$45 per month   | As incurred | You must participate in our online ordering program. This fee is payable to us or a vendor that we designate. We may change the fee from time to time and may charge additional fees.  |

| Type of Fee <sup>1, 3</sup> | Amount  | Date Due                            | Remarks  |
|-----------------------------|---|-------------------------------------|--|
| Ordering Support Fee        | A reasonable fee, which will vary based on the services provided. Currently, \$0.35 to \$0.50 per transaction processed through our online ordering system. | Payment Due Date                    | We require you to pay to us, our affiliates, and/or one or more third parties that we designate, an ordering support fee, in an amount and at the times that we specify, for various ordering support services that we will provide or arrange for our affiliates or third parties to provide, such as services related to online and catering ordering platforms, call center(s), ordering and delivery management services, and catering rewards program(s). We may include in the fee our and our affiliates' costs and administrative expenses related to procuring, providing, and/or developing the services, including without limitation the costs of integrating such services with the Computer System. We may modify this fee (including by changing it to a percentage of sales) and the included products and services from time to time. |
| Purchasing Program Fee      | Reasonable membership fees assessed by the Purchasing Program   | As incurred                         | If we designate or establish any purchasing and/or distribution cooperatives/associations/ programs (" <b>Purchasing Programs</b> "), you must become a member and pay any membership fees assessed. We currently do not have any Purchasing Programs which require membership fees.   |
| Supply Chain Fee            | Currently, \$0.17 to \$0.27 per case purchased through certain Appointed Distributors (as defined in Item 8)  | As incurred                         | FSC collects this fee from certain Appointed Distributors from whom you may purchase products and services, to offset expenses that FSC incurs managing the supply chain. The fee is subject to change from time to time.  |
| Master Insurance Policy Fee | Currently not charged; we do not have an estimate at this time.   | As incurred                         | We reserve the right to obtain a master insurance policy on behalf of the System for certain types of coverage and require you to pay all or a portion of your proportionate share of coverage under the master policy to us or our Approved Supplier.   |
| Insurance                   | Amount of unpaid premiums and our costs   | On demand                           | Payable only if you fail to maintain required insurance coverage and we elect to obtain coverage for you. See Item 8.  |
| Guest Relations Fee         | Currently, \$20 to \$40 for each guest complaint or other   | As incurred, due on the Payment Due | Payable, in addition to any other remedies that we are entitled to pursue (including reimbursement of any costs or expenses we   |

| Type of Fee <sup>1, 3</sup>                 | Amount  | Date Due   | Remarks   |
|---|---|------------|---|
|   | contact request that you do not timely respond to or for each excessive guest complaint   | Date       | may incur related to responding to or resolving such complaint on your behalf), if you fail to respond in accordance with our Standards within 72 hours to a guest contact request that we send to you or a guest complaint. We may also impose this fee for the fourth and each subsequent guest complaint received in a given month related to your Shop. We may change the fee, time period for responding to complaints, and number of complaints deemed to be excessive from time to time.   |
| Non-compliance Fee                          | Currently, \$25 to \$500 for a single violation, but may vary based on the severity of violations, number of violations, and repetition of violations | On invoice | Payable if you fail to comply with any of the Standards, in addition to any other remedies that we are entitled to pursue. The fee may be charged repeatedly (as frequently as daily) if the non-compliance is ongoing.   |
| Failure to Comply with Standards or Law Fee | Up to a \$5,000 fee plus our reasonable expenses connected with any inspection, examination, or analysis of products                                  | On invoice | Payable if our inspection of products shows the products have been adulterated in any way or that your Shop does not comply with applicable laws. If (i) we inspect your Shop and find a violation and we find the same violation at another inspection within one year, (ii) you fail to comply with any remedial measures we require, (iii) you fail to cooperate in any inspection, or (iv) there have been repeated violations, then you must pay up to a \$5,000 fee for the inspection, in addition to the travel expenses of our inspectors or representatives and any other expenses we incur, including attorneys' fees. These remedies are not exclusive. |
| Development Deadline Extension Fee          | \$2,500 per missed deadline   | On invoice | Payable if you fail to meet the Site Approval Deadline, Construction Start Deadline, or Opening Deadline (each as defined in Item 11) or if we grant you an extension to any of these deadlines. We may terminate the Franchise Agreement if you fail to open by the Opening Deadline or if you fail to cure a default of the Site Approval or Construction Start Deadlines.  |



| Type of Fee <sup>1, 3</sup>             | Amount  | Date Due  | Remarks  |
|---|---|---|--|
| Repeated Inspection Fee                 | Cost of inspection  | On invoice  | If we or our representative inspect you as a result of your repeated or continuing failure to comply with any provision of the Franchise Agreement, you must pay us the cost of the inspection, including the travel and living expenses of our representatives.   |
| Audit                                   | Cost of audit   | On invoice  | If we audit you and find that you understated Net Sales by 2% or more, you must reimburse us all reasonable expenses connected to the audit, review or examination (including any reasonable accounting and attorneys' fees). We estimate that the typical audit costs would be approximately \$1,000 to \$4,000.  |
| Reimbursement of Services After Default | All costs and expenses that we reasonably incur   | On invoice  | Payable if you default under the Franchise Agreement and we, in our sole discretion, undertake or perform on your behalf any obligation or duty that you are required to, but fail to, perform under the Franchise Agreement.  |
| Liquidated Damages                      | The average monthly amount of Royalty that you owed us during the past 36 months times the lesser of remainder of term of Franchise Agreement or 36 months. | Within 30 days of termination of your Franchise Agreement | You must pay this fee only if the termination occurs after the opening date of your Shop and you are not insolvent at the time of termination.<br>If less than 36 months have passed since opening and termination, the amount will be the average monthly Royalty during the time between opening and termination, times the lesser of the remainder of term of the Franchise Agreement or 36 months. |
| Appraiser's Fee                         | 50% of appraiser's fee  | On invoice  | You must pay this fee only if we elect to purchase your assets on termination or expiration of the Franchise Agreement and we cannot agree with you on the purchase price.   |
| Indemnification of us                   | Our cost  | On invoice  | You indemnify us from certain losses and expenses under the Franchise Agreement.   |
| Attorneys' Fees                         | Our cost  | On invoice  | You must pay us any attorneys' fees we incur related to you, your Owners, or your Shop (other than those we incur in response to your efforts to enforce the Franchise Agreement or in the defense of any claim we assert against you on which you substantially prevail in court or other formal legal proceedings). If we become a party to a proceeding on an agreement between us and              |

| Type of Fee <sup>1, 3</sup> | Amount  | Date Due             | Remarks  |
|-----------------------------|---|----------------------|--|
|                             |   |                      | you, and we win, or if we become a party to litigation or insolvency proceedings for your franchise, then you must pay our reasonable attorneys' fees and court costs. If we terminate the Franchise Agreement for your default, you must pay us all our expenses from your default or termination, including reasonable attorneys' and experts' fees. |
| Reinstatement Fee           | 10% of the amount of the then-current Initial Franchise Fee, plus Royalty Fees that would have been payable in period between termination and reinstatement | Before reinstatement | If we terminate your Franchise Agreement due to a health and safety default, you cure the default and want to be reinstated, and we agree to reinstate your Franchise Agreement, you must pay us a reinstatement fee.  |
| De-identification Fee       | Our actual costs, plus interest and an administrative fee equal to 15% of our actual costs  | On invoice           | Payable if we terminate the Franchise Agreement, you fail to de-identify the Shop, and we make the required changes on your behalf.  |

Notes

1. Unless otherwise stated, we directly impose all the fees in this table, you pay them to us, and we do not refund them. We endeavor to impose these fees uniformly but reserve the right to make variances in special circumstances, like co-branding opportunities or franchisees operating in non-traditional locations. We reserve the right to collect all fees due to us under the Franchise Agreement through EFT. We may change the Payment Due Date, and any other due dates, in the Manuals or in a written notice to you.

2. **“Net Sales”** means all revenues generated by your Shop or conducted from or with respect to the Shop, whether the sales are evidenced by cash, check, credit, charge, account, barter or exchange. Net Sales includes monies, gift card redemptions, or credit generated by or received from (i) the sale of Approved Products or tangible property of every kind and nature, promotional or otherwise, anywhere and (ii) services performed from, at, or in connection with the Shop, including (x) off-premises services (such as catering and delivery), (y) on-premises services such as games (e.g., slot machines) or third-party advertising (e.g., on menus), or (z) any other services or activities that use either the System, the Proprietary Marks, or products that are the same as or similar to the Approved Products. The foregoing list is not intended to provide approval for such activities, which may be conducted only if approved. Unless we specify otherwise in writing, Net Sales shall include all ancillary charges or fees, including delivery fees and other service charges, that are paid to you by a customer or by a third-party delivery or catering service (e.g., Uber Eats, Postmates, Grubhub, ezCater, or DoorDash) (a **“TPS”**) in connection with delivery or catering services related to your Shop (recognizing that though the TPS may pay you an amount equal to the purchase price less a commission, other fees, and any discounts, credits, or coupons applied to that order, such commission, fees, discounts, credits, and coupons will not be deducted from

your Net Sales). Net Sales will not include (a) the initial sales or reloading of gift cards, (b) discounts, (c) the sale of food or merchandise for which refunds have been made in good faith to customers, (d) the discounted portion of employee meals, (e) sales, meals, use or excise tax imposed by a governmental authority directly on sales and collected from customers, provided that the amount for the tax is added to the selling price or absorbed therein and is actually paid by you to a governmental authority, (f) the sale of equipment used in the operation of the Shop. Net Sales includes sales made from an SRU or PBU, or (g) tips.

3. For Co-Branded Shops, we and the Co-Branded Franchisor may both independently impose the following fees (in other words, (a) we could charge the fee and the Co-Branded Franchisor could also separately charge the same fee or (b) we could charge the fee, even if the Co-Branded Franchisor does not do so): (i) the Renewal Fee; (ii) the Ordering Support Fee; (iii) fees related to Advertising Cooperatives, brand promotions, taxes and related payments, conferences and programs, brand advisory councils, transfers, gift card and loyalty programs, loyalty apps, online ordering, purchasing programs, supply chains, insurance policies, development deadline extensions, indemnification provisions, attorneys' fees, and the reinstatement of franchises; and (iv) any other fees that are brand-specific or relate to costs that may be separately incurred by us and/or the Co-Branded Franchisor. All other fees will be charged by (x) us or the Co-Branded Franchisor, but not both or (y) jointly by both us and the Co-Branded Franchisor (and split between the two of us).

## ITEM 7. ESTIMATED INITIAL INVESTMENT

### YOUR ESTIMATED INITIAL INVESTMENT: *FULL SHOP*

| Type of Expenditure                                     | Amount of Expenditure |           | Method of Payment | When Payments Are Due             | To Whom Payment Will Be Made |
|---|-----------------------|-----------|-------------------|-----------------------------------|------------------------------|
|   | Low                   | High      |                   |                                   |                              |
| Initial Franchise Fee <sup>1</sup>                      | \$35,500              | \$35,500  | Lump sum          | At signing of Franchise Agreement | Us                           |
| Construction and Build Out Costs <sup>2</sup>           | \$27,000              | \$194,000 | As incurred       | As arranged                       | Contractors                  |
| Permitting <sup>3</sup>                                 | \$2,000               | \$4,000   | As incurred       | Before opening                    | Government agencies          |
| Equipment Package <sup>4</sup>                          | \$21,000              | \$60,000  | Lump sum          | Before opening                    | Vendors                      |
| Millwork <sup>5</sup>                                   | \$5,000               | \$27,000  | As incurred       | Before opening                    | Contractors                  |
| Furniture <sup>6</sup>                                  | \$0                   | \$2,500   | As incurred       | Before opening                    | Vendors                      |
| Menu Board, Graphics, and Interior Signage <sup>7</sup> | \$250                 | \$12,000  | As incurred       | Before opening                    | Vendors                      |
| Exterior Signage <sup>8</sup>                           | \$1,500               | \$7,000   | Lump sum          | Before opening                    | Vendors                      |
| Computer System <sup>9</sup>                            | \$6,000               | \$24,000  | As incurred       | Before opening                    | Vendors                      |
| Smallwares <sup>10</sup>                                | \$1,000               | \$4,500   | As incurred       | Before opening                    | Vendors                      |
| Architect/Engineer <sup>11</sup>                        | \$2,000               | \$12,000  | As incurred       | Before opening                    | Architect                    |
| Rent <sup>12</sup>                                      | \$2,000               | \$10,000  | Monthly           | As arranged                       | Lessors                      |

| Type of Expenditure                                      | Amount of Expenditure |                  | Method of Payment | When Payments Are Due | To Whom Payment Will Be Made     |
|--|-----------------------|------------------|-------------------|-----------------------|----------------------------------|
|  | Low                   | High             |                   |                       |                                  |
| Grand Opening Marketing <sup>13</sup>                    | \$1,000               | \$5,000          | As incurred       | Before opening        | Vendors                          |
| Legal and Accounting Fees <sup>14</sup>                  | \$5,000               | \$10,000         | As incurred       | Before opening        | Lawyers and accountants          |
| Insurance <sup>15</sup>                                  | \$2,000               | \$10,000         | As incurred       | Before opening        | Insurance companies              |
| Misc. Opening Costs/Office Supplies <sup>16</sup>        | \$13,000              | \$25,000         | As incurred       | Before opening        | Vendors                          |
| Security Deposits <sup>17</sup>                          | \$0                   | \$15,000         | As incurred       | As incurred           | Utility companies; lessors       |
| Training and Support Fees <sup>18</sup>                  | \$0                   | \$3,500          | As incurred       | Before opening        | Us                               |
| Travel and Living Expenses during Training <sup>19</sup> | \$3,500               | \$7,500          | As incurred       | Before opening        | Airlines, hotels and restaurants |
| Opening Inventory <sup>20</sup>                          | \$3,300               | \$4,000          | As incurred       | Before opening        | Vendors                          |
| Additional Funds - 3 Months <sup>21</sup>                | \$15,000              | \$51,000         | As incurred       | As incurred           | Us, employees, vendors, etc.     |
| <b>Total Initial Investment<sup>22</sup></b>             | <b>\$146,050</b>      | <b>\$523,500</b> |                   |                       |                                  |

**YOUR ESTIMATED INITIAL INVESTMENT: CONCESSION SHOP - FOOD TRUCK**

| Type of Expenditure                                    | Amount of Expenditure |           | Method of Payment | When Payments Are Due             | To Whom Payment Will Be Made |
|--|-----------------------|-----------|-------------------|-----------------------------------|------------------------------|
|  | Low                   | High      |                   |                                   |                              |
| Initial Franchise Fee <sup>1</sup>                     | \$10,500              | \$10,500  | Lump sum          | At signing of Franchise Agreement | Us                           |
| Truck Costs <sup>23</sup>                              | \$90,000              | \$192,000 | As incurred       | Before opening                    | Vendors                      |
| Permitting <sup>3</sup>                                | \$500                 | \$2,500   | As incurred       | Before opening                    | Government agencies          |
| Equipment Package <sup>4</sup>                         | \$10,000              | \$45,000  | Lump sum          | Before opening                    | Vendors                      |
| Menu Board, Graphics and Interior Signage <sup>7</sup> | \$250                 | \$1,500   | As incurred       | Before opening                    | Vendors                      |
| Computer System <sup>9</sup>                           | \$6,000               | \$13,000  | As incurred       | Before opening                    | Vendors                      |

| Type of Expenditure                                      | Amount of Expenditure |                  | Method of Payment | When Payments Are Due | To Whom Payment Will Be Made     |
|--|-----------------------|------------------|-------------------|-----------------------|----------------------------------|
|  | Low                   | High             |                   |                       |                                  |
| Smallwares <sup>10</sup>                                 | \$1,000               | \$4,500          | As incurred       | Before opening        | Vendors                          |
| Grand Opening Marketing <sup>14</sup>                    | \$1,000               | \$5,000          | As incurred       | Before opening        | Vendors                          |
| Legal and Accounting Fees <sup>15</sup>                  | \$5,000               | \$10,000         | As incurred       | Before opening        | Lawyers and accountants          |
| Insurance <sup>16</sup>                                  | \$2,000               | \$10,000         | As incurred       | Before opening        | Insurance companies              |
| Training and Support Fees <sup>18</sup>                  | \$0                   | \$1,500          | As incurred       | Before opening        | Us                               |
| Travel and Living Expenses during Training <sup>19</sup> | \$3,500               | \$7,500          | As incurred       | Before opening        | Airlines, hotels and restaurants |
| Opening Inventory <sup>20</sup>                          | \$3,300               | \$4,000          | As incurred       | Before opening        | Our designated suppliers         |
| Additional Funds - 3 Months <sup>21</sup>                | \$15,000              | \$25,000         | As incurred       | As incurred           | Us, employees, vendors, etc.     |
| <b>Total Initial Investment<sup>22</sup></b>             | <b>\$148,050</b>      | <b>\$332,000</b> |                   |                       |                                  |

**YOUR ESTIMATED INITIAL INVESTMENT: CONCESSION SHOP – TRAILER**

| Type of Expenditure                                    | Amount of Expenditure |          | Method of Payment | When Payments Are Due             | To Whom Payment Will Be Made |
|--|-----------------------|----------|-------------------|-----------------------------------|------------------------------|
|  | Low                   | High     |                   |                                   |                              |
| Initial Franchise Fee <sup>1</sup>                     | \$10,500              | \$10,500 | Lump sum          | At signing of Franchise Agreement | Us                           |
| Trailer Costs <sup>23</sup>                            | \$45,000              | \$93,000 | As incurred       | Before opening                    | Vendors                      |
| Permitting <sup>3</sup>                                | \$500                 | \$2,500  | As incurred       | Before opening                    | Government agencies          |
| Equipment Package <sup>4</sup>                         | \$10,000              | \$45,000 | Lump sum          | Before opening                    | Vendors                      |
| Menu Board, Graphics and Interior Signage <sup>7</sup> | \$250                 | \$1,500  | As incurred       | Before opening                    | Vendors                      |
| Computer System <sup>9</sup>                           | \$6,000               | \$13,000 | As incurred       | Before opening                    | Vendors                      |
| Smallwares <sup>10</sup>                               | \$1,000               | \$4,500  | As incurred       | Before opening                    | Vendors                      |
| Grand Opening Marketing <sup>13</sup>                  | \$1,000               | \$5,000  | As incurred       | Before opening                    | Vendors                      |
| Legal and Accounting Fees <sup>14</sup>                | \$5,000               | \$10,000 | As incurred       | Before opening                    | Lawyers and accountants      |

| Type of Expenditure                                      | Amount of Expenditure |                  | Method of Payment | When Payments Are Due | To Whom Payment Will Be Made     |
|--|-----------------------|------------------|-------------------|-----------------------|----------------------------------|
|  | Low                   | High             |                   |                       |                                  |
| Insurance <sup>15</sup>                                  | \$2,000               | \$10,000         | As incurred       | Before opening        | Insurance companies              |
| Training and Support Fees <sup>18</sup>                  | \$0                   | \$1,500          | As incurred       | Before opening        | Us                               |
| Travel and Living Expenses during Training <sup>19</sup> | \$3,500               | \$7,500          | As incurred       | Before opening        | Airlines, hotels and restaurants |
| Opening Inventory <sup>20</sup>                          | \$3,300               | \$4,000          | As incurred       | Before opening        | Vendors                          |
| Additional Funds - 3 Months <sup>21</sup>                | \$15,000              | \$25,000         | As incurred       | As incurred           | Us, employees, vendors, etc.     |
| <b>Total Initial Investment<sup>22</sup></b>             | <b>\$103,050</b>      | <b>\$233,000</b> |                   |                       |                                  |

**YOUR ESTIMATED INITIAL INVESTMENT: CINNABON CO-BRANDED SHOP <sup>24</sup>**

| Type of Expenditure                                     | Amount of Expenditure |           | Method of Payment | When Payments Are Due             | To Whom Payment Will Be Made |
|---|-----------------------|-----------|-------------------|-----------------------------------|------------------------------|
|   | Low                   | High      |                   |                                   |                              |
| Initial Franchise Fee <sup>1</sup>                      | \$66,000              | \$66,000  | Lump sum          | At signing of Franchise Agreement | Us                           |
| Construction and Build Out Costs <sup>2</sup>           | \$100,000             | \$225,000 | As incurred       | As arranged                       | Contractors                  |
| Permitting <sup>3</sup>                                 | \$2,000               | \$4,000   | As incurred       | Before opening                    | Government agencies          |
| Equipment Package <sup>4</sup>                          | \$40,000              | \$80,000  | Lump sum          | Before opening                    | Vendors                      |
| Millwork <sup>5</sup>                                   | \$5,000               | \$40,000  | As incurred       | Before opening                    | Contractors                  |
| Furniture <sup>6</sup>                                  | \$0                   | \$2,500   | As incurred       | Before opening                    | Vendors                      |
| Menu Board, Graphics, and Interior Signage <sup>7</sup> | \$250                 | \$16,000  | As incurred       | Before opening                    | Vendors                      |
| Exterior Signage <sup>8</sup>                           | \$1,500               | \$15,000  | Lump sum          | Before opening                    | Vendors                      |
| Computer System <sup>9</sup>                            | \$6,000               | \$24,000  | As incurred       | Before opening                    | Vendors                      |
| Smallwares <sup>10</sup>                                | \$1,000               | \$4,500   | As incurred       | Before opening                    | Vendors                      |
| Architect/Engineer <sup>11</sup>                        | \$2,000               | \$15,000  | As incurred       | Before opening                    | Architect                    |
| Rent <sup>12</sup>                                      | \$2,000               | \$10,000  | Monthly           | As arranged                       | Lessors                      |

| Type of Expenditure                                      | Amount of Expenditure |                  | Method of Payment | When Payments Are Due | To Whom Payment Will Be Made     |
|--|-----------------------|------------------|-------------------|-----------------------|----------------------------------|
|  | Low                   | High             |                   |                       |                                  |
| Grand Opening Marketing <sup>13</sup>                    | \$2,000               | \$5,000          | As incurred       | Before opening        | Vendors                          |
| Legal and Accounting Fees <sup>14</sup>                  | \$7,000               | \$12,000         | As incurred       | Before opening        | Lawyers and accountants          |
| Insurance <sup>15</sup>                                  | \$2,000               | \$10,000         | As incurred       | Before opening        | Insurance companies              |
| Misc. Opening Costs/Office Supplies <sup>16</sup>        | \$13,000              | \$25,000         | As incurred       | Before opening        | Vendors                          |
| Security Deposits <sup>17</sup>                          | \$0                   | \$15,000         | As incurred       | As incurred           | Utility companies; lessors       |
| Training and Support Fees <sup>18</sup>                  | \$0                   | \$3,500          | As incurred       | Before opening        | Us                               |
| Travel and Living Expenses during Training <sup>19</sup> | \$7,000               | \$15,000         | As incurred       | Before opening        | Airlines, hotels and restaurants |
| Opening Inventory <sup>20</sup>                          | \$8,300               | \$9,000          | As incurred       | Before opening        | Vendors                          |
| Additional Funds - 3 Months <sup>21</sup>                | \$15,000              | \$51,000         | As incurred       | As incurred           | Us, employees, vendors, etc.     |
| <b>Total Initial Investment<sup>22, 24</sup></b>         | <b>\$280,050</b>      | <b>\$647,500</b> |                   |                       |                                  |

**YOUR ESTIMATED INITIAL INVESTMENT: JAMBA CO-BRANDED SHOP <sup>24</sup>**

| Type of Expenditure                           | Amount of Expenditure |           | Method of Payment | When Payments Are Due             | To Whom Payment Will Be Made |
|---|-----------------------|-----------|-------------------|-----------------------------------|------------------------------|
|   | Low                   | High      |                   |                                   |                              |
| Initial Franchise Fee <sup>1</sup>            | \$71,000              | \$71,000  | Lump sum          | At signing of Franchise Agreement | Us                           |
| Construction and Build Out Costs <sup>2</sup> | \$175,000             | \$295,000 | As incurred       | As arranged                       | Contractors                  |
| Permitting <sup>3</sup>                       | \$2,000               | \$4,000   | As incurred       | Before opening                    | Government agencies          |

| Type of Expenditure                                      | Amount of Expenditure |                  | Method of Payment | When Payments Are Due | To Whom Payment Will Be Made     |
|--|-----------------------|------------------|-------------------|-----------------------|----------------------------------|
|  | Low                   | High             |                   |                       |                                  |
| Equipment Package <sup>4</sup>                           | \$60,000              | \$100,000        | Lump sum          | Before opening        | Vendors                          |
| Millwork <sup>5</sup>                                    | \$20,000              | \$40,000         | As incurred       | Before opening        | Contractors                      |
| Furniture <sup>6</sup>                                   | \$0                   | \$2,500          | As incurred       | Before opening        | Vendors                          |
| Menu Board, Graphics, and Interior Signage <sup>7</sup>  | \$250                 | \$30,000         | As incurred       | Before opening        | Vendors                          |
| Exterior Signage <sup>8</sup>                            | \$1,500               | \$55,000         | Lump sum          | Before opening        | Vendors                          |
| Computer System <sup>9</sup>                             | \$6,000               | \$24,000         | As incurred       | Before opening        | Vendors                          |
| Smallwares <sup>10</sup>                                 | \$1,000               | \$4,500          | As incurred       | Before opening        | Vendors                          |
| Architect/Engineer <sup>11</sup>                         | \$2,000               | \$18,000         | As incurred       | Before opening        | Architect                        |
| Rent <sup>12</sup>                                       | \$2,000               | \$10,000         | Monthly           | As arranged           | Lessors                          |
| Grand Opening Marketing <sup>13</sup>                    | \$2,000               | \$5,000          | As incurred       | Before opening        | Vendors                          |
| Legal and Accounting Fees <sup>14</sup>                  | \$7,000               | \$12,000         | As incurred       | Before opening        | Lawyers and accountants          |
| Insurance <sup>15</sup>                                  | \$2,000               | \$10,000         | As incurred       | Before opening        | Insurance companies              |
| Misc. Opening Costs/Office Supplies <sup>16</sup>        | \$13,000              | \$25,000         | As incurred       | Before opening        | Vendors                          |
| Security Deposits <sup>17</sup>                          | \$0                   | \$15,000         | As incurred       | As incurred           | Utility companies; lessors       |
| Training and Support Fees <sup>18</sup>                  | \$0                   | \$3,500          | As incurred       | Before opening        | Us                               |
| Travel and Living Expenses during Training <sup>19</sup> | \$7,000               | \$15,000         | As incurred       | Before opening        | Airlines, hotels and restaurants |
| Opening Inventory <sup>20</sup>                          | \$8,300               | \$14,000         | As incurred       | Before opening        | Vendors                          |
| Additional Funds - 3 Months <sup>21</sup>                | \$15,000              | \$51,000         | As incurred       | As incurred           | Us, employees, vendors, etc.     |
| <b>Total Initial Investment<sup>22, 24</sup></b>         | <b>\$395,050</b>      | <b>\$804,500</b> |                   |                       |                                  |



## EXPLANATORY NOTES:

The above are estimates of a franchisee's total initial investment in one Shop. These charts do not include an estimate for the cost of opening or operating an SRU, which is an optional add-on that may be offered after you have operated your Shop. The charts should be read in conjunction with the following notes.

You should review this information, including the footnotes, carefully, conduct your own investigation and seek the help of qualified advisors before making any decision about an initial investment in a Shop.

None of these fees or payments are refundable unless otherwise noted below.

1. Initial Franchise Fee. See Item 5. For Co-Branded Shops, the Initial Franchise Fee estimate includes both the Initial Franchise Fee paid to us (\$35,500) and the initial franchise fee paid, as applicable, to Cinnabon under the Cinnabon® Franchise Agreement for the right to operate a Cinnabon® franchise (\$30,500) or to Jamba under the Jamba® Franchise Agreement for the right to operate a Jamba® franchise (\$35,500).
2. Construction and Build Out Costs. This estimate includes fees paid to a general contractor you engage to build out the Shop to meet our Standards (and for a Co-Branded Shop, the standards of the Co-Branded Franchisor too). Leasehold improvements include but are not limited to HVAC, electrical, carpentry, floor covering, and painting. The cost of a general contractor will vary widely depending on the size and condition of the premises, whether or not there are any existing and comparable leasehold improvements in the premises, the extent and quality of improvements you desire over and above our minimum requirements, your landlord's cash contribution to the cost of the improvements, and the local costs of material and labor. In certain major metropolitan markets such as Boston, Chicago, New York, Los Angeles, San Francisco, Seattle, and Washington, D.C., costs could be significantly higher than the estimates provided here due to local market rates for materials and labor.

For a Jamba Co-Branded Shop, the estimate is based on an endcap or free-standing location with a drive-thru. This estimate does not include leasehold improvements for new free-standing buildings with a drive-thru, as the costs for this format may vary significantly. For a Cinnabon Co-Branded Shop, the estimate is based on a mall or streetside location.

You may be able to negotiate tenant improvement allowances from your landlord. The estimate is presented net of estimated tenant improvement allowances. For the low estimate, we estimated a tenant improvement allowance of \$2,500, which is approximately the average tenant improvement allowance that our franchisees have reported to us in recent years. For the high estimate, we assumed that a tenant improvement allowance was not available.

3. Permitting. This estimate includes the cost of acquiring construction permits, including permit fees. Your costs will vary depending upon your Shop's location. In some markets, the costs of required permits may significantly exceed our estimates.
4. Equipment Package. You must purchase or lease from an Approved Supplier certain equipment (like kitchen equipment) and machinery that complies with our Standards (and

for a Co-Branded Shop, the standards of the Co-Branded Franchisor too). Your actual costs will vary depending on a number of factors including, without limitation, building codes and health requirements of the state where your Shop is located.

5. Millwork. You will incur expenses for millwork at the Shop, which may include the cost of purchasing and installing cabinets and counters.
6. Furniture. You must purchase from an Approved Supplier furniture such as tables, chairs, and office furniture that meets our Standards.
7. Menu Board, Graphics, and Interior Signage. This estimate includes the cost of a digital menu board and interior signage. The cost will vary based on the size of your Shop. A digital menu board is required for a Full Shop. A static menu board is currently acceptable for a Concession Shop. Our requirements and the related costs are subject to change.
8. Exterior Signage. The cost of your exterior sign will vary depending on the size, color, quantity, and backlit channel letters of the sign and other specifications as we require. The cost of the signage for a kiosk could be as high as \$18,000 because of the need for signs on multiple sides of the kiosk.
9. Computer System. You must purchase, lease, and/or license and install at the Shop the POS System, computer systems, mobile hardware, software, online ordering platform, associated computer hardware, telephone lines, network connections, communications equipment, high speed internet access (e.g. DSL or cable), credit card, gift card and loyalty card processing equipment, and other equipment that we require from time to time (collectively, the “**Computer System**”). The Computer System currently includes a back-office PC, one monitor, one back-office multi-function printer, between one and four POS System terminals for a Full Shop (between one and two POS System terminals for a Concession Shop), one firewall device, a dedicated iPad® or Windows® tablet/computer (two tablets if you operate a Concession Shop), and one POS System server in addition to other related software, phone and network connections, and equipment. You may also be required to purchase training software training from a vendor that we designate. For Co-Branded Shops, the Computer System that we require meets both our and the Co-Branded Franchisor’s standards.
10. Smallwares. This estimate includes the cost of purchasing cooking utensils, supplies, other smallwares, and other tools necessary to operate the Shop.
11. Architect/Engineer. You must engage licensed architects and engineers (for mechanical, electrical, plumbing, and structural) to draft standard construction plans for your Shop. Your costs will vary depending upon the location of the Shop, its condition, and the need for additional designs, plans, and drawings, if applicable.
12. Rent. The figures in the table reflect our estimates for leasing the Shop premises and include only one month of rent. A typical Full Shop occupies about 400 to 600 square feet of space and is located in a high-traffic or retail mall area. A typical Jamba Co-Branded Shop occupies about 1,650 square feet of space and includes a drive-thru. A typical Cinnabon Co-Branded Shop occupies about 1,600 square feet of space and does not include a drive-thru.

Your rent will depend on the site's size, condition, visibility, accessibility, and location, local market conditions, demand for the premises among prospective lessees, and the arrangement you negotiate with the landlord. In certain major metropolitan markets such as Boston, Chicago, New York, Los Angeles, San Francisco, Seattle, and Washington, D.C. and in certain other high demand districts, prevailing market rents could be significantly higher than the high estimate. Because of the wide variation in lease rates for retail space, you should consult with a local commercial real estate broker to get a more accurate estimate of costs in your market.

13. Grand Opening Marketing. You must conduct a grand opening advertising campaign with the opening of your Shop. You must pay all costs of the grand opening, including publicity costs, promotional costs, plus the full cost of any price reductions or other customer inducements. Costs may vary depending on your market and the type of advertising used, however, you must spend a minimum of \$1,000 on grand opening advertising for your Shop (\$2,000 for a Co-Branded Shoppe). You must obtain our written approval for the grand opening advertising plan at least 30 days prior to your grand opening.
14. Legal and Accounting Fees. This estimate includes the cost of legal and accounting fees that you may incur in establishing your business. Such expenses may include fees payable to attorneys and accountants that you will need to use for the review of this Disclosure Document and the related agreements (and for Co-Branded Shops, the cost to review the Franchise Disclosure Document and related agreements for the Co-Branded Franchise), as well as for entity formation and lease negotiation.
15. Insurance. You must obtain and maintain during the term of your Franchise Agreement, at your expense, a comprehensive business insurance program, including property, commercial general liability, automobile liability, business property, umbrella, workers' compensation, employment practices liability, cyber liability, and (if you serve alcohol) dram shop liability insurance. The types and minimum amounts of insurance coverage that we currently require are described in Section 13.2 of the Franchise Agreement but are subject to change. We may obtain a master insurance policy on behalf of the System for certain types of coverage and require you to pay all or a portion of your proportionate share of coverage under the master policy to us or our Approved Supplier. This figure estimates the cost of your insurance premiums for your first year of operation based on our minimum requirements. Your cost of insurance will vary depending on your Shop location, the claims experience of commercial businesses in your area, and your prior insurance claim experience. You should be aware that this cost may increase in the future if we exercise our right to require you to obtain insurance with higher policy limits.
16. Misc. Opening Costs/ Office Supplies. This includes office supplies and other miscellaneous opening expenses, such as utility costs, business licenses and permits, opening assistance, and the cost of training your employees.
17. Security Deposits. This estimate includes the cost of deposit expenses to obtain utility services, which includes deposits to initiate telephone, gas, electricity, water, and other services. These costs will vary due to municipality requirements, local provider requirements, and your creditworthiness. These deposits are generally refundable depending on the provider's policies.

18. Training and Support Fees. For your third or subsequent Shops (including Shops owned by your affiliates), you must pay the On-Site Training and Assistance Fee (currently, \$500 per day per trainer plus trainers' travel and living expenses) if we require, or you elect, to receive on-site training and assistance. The high estimate includes the cost of one of our trainers traveling to provide one week of such on-site training and assistance for Full Shops and two days of such on-site training and assistance for Concession Shops.
19. Travel and Living Expenses during Training. This estimate is for the cost of two to three people to attend the Management Training Program. You are responsible for the travel and living expenses, wages, and other expenses incurred by your trainees during the program. Your actual cost will depend on your point of origin, method of travel, class of accommodations, and dining choices. For Co-Branded Shops, this estimate includes the cost of attending both our training and the initial training provided by the Co-Branded Franchisor.
20. Opening Inventory. You must purchase an opening inventory of food, beverages, paper products, cleaning supplies, and other supplies utilized in the operation of your Shop, as well as other merchandise or products sold in the Shop. These costs will vary based on the size, location, and projected sales of your Shop.
21. Additional Funds – 3 Months. This estimates the additional funds you may need to cover expenses you will incur before your Shop opens and in its first three months of operation. These expenses may include, without limitation, employee salaries, wages, and benefits, payroll taxes (including payroll to cover the pre-opening training period for your staff), Royalty Fees, Advertising Contributions, ongoing fees due to the Co-Branded Franchisor (if you operate a Co-Branded Shop), additional advertising expenses, additional inventory, miscellaneous supplies and equipment, rent, bank charges, state tax and license fees, deposits, prepaid expenses, and other miscellaneous items. We have based these figures on our experience franchising Shops and our affiliate's experience opening and operating Shops. You may incur other categories of expenses or expenses in excess of this estimate.
22. Total Initial Investment. These figures are based on our experience franchising Shops and our affiliate's experience opening and operating Shops. Your actual investment and expenditures and initial cash outlay may vary from the amounts shown if you choose to purchase your Shop, if you choose to build a larger or smaller Shop than our standard design, or if your Shop is located in an expensive market. Shops located in non-traditional venues like office buildings, hospitals, stadiums or university food service facilities will likely experience lower initial investment expenditures than Shops in traditional locations like malls or strip centers.
23. Trailer/Truck Costs. If you operate a Concession Shop, you must purchase a food truck or trailer from an Approved Supplier and must customize the interior and exterior unit to comply with our Standards. This estimate includes the cost of fit-out, exterior signage and vehicle wrapping, the generator, license tags, and related permits. This estimate assumes that you are purchasing the food truck or trailer and do not finance the purchase.
24. Co-Branded Shops. The figures in the Co-Branded Shop tables have been prepared by us, after consultation with the Co-Branded Franchisors, and are based on our and their experiences franchising our respective franchises and our and their standards for co-branded locations. The estimate includes all of the costs necessary to purchase, develop,

and begin operating a Co-Branded Shop, including the costs to acquire a Cinnabon® or Jamba® franchise and to construct and outfit the Co-Branded Shop in accordance with our and, as applicable, Cinnabon or Jamba's standards for such a co-branded location.

We do not offer direct or indirect financing to franchisees for any of these items. The availability and terms of financing will depend on factors like the availability of financing generally, your credit worthiness, collateral you pledge, policies of your lending institution, and economic conditions in your area.

## ITEM 8. RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

**Required Purchases.** We have the right to require that Approved Products, other products, Proprietary Ingredients, supplies (including chemicals), furniture, fixtures, equipment, and services (collectively, "**Goods**") that you purchase for resale or purchase or lease for use in your Shop: (i) meet specifications that we establish from time to time; (ii) be a specific brand, kind, or model; (iii) be purchased or leased only from suppliers, service providers, manufacturers, distributors, and/or consolidators (collectively, "**Suppliers**") that we have expressly designated or approved ("**Approved Suppliers**"); (iv) be purchased or leased only from a single source that we designate (which may include us or our affiliates or a buying cooperative organized by us or our affiliates); and/or (v) be purchased as part of a purchasing program, arrangement, or contract that we negotiate or specify. We may add or change Approved Suppliers at any time.

You must purchase all of your requirements of Proprietary Ingredients, Proprietary Products, and proprietary uniforms, signs, menu boards, smallwares, materials, supplies, paper goods, equipment, and packaging (collectively, the "**Proprietary Goods**") from us, our affiliates, or our designated Approved Suppliers. The Proprietary Goods include printed paper, paper products, and plastic products bearing our Proprietary Marks (including, for example, dishes, containers, cartons, bags, napkins, and packaging supplies). We may require you to purchase certain trademarked product lines consisting of t-shirts, apparel, mugs and other merchandise and products bearing the Proprietary Marks ("**Trademarked Product Lines**") from us, our affiliates, or our designated Approved Suppliers. In addition, if we conduct test marketing to determine consumer trends and the salability of new food or non-food products and services, you may be required to purchase a reasonable quantity of test products we specify from designated Approved Suppliers.

For any proposed site, we may require you to obtain a site selection analysis from an Approved Supplier, which may include an analysis of such factors as traffic patterns, demographics and competitors within the market. As you design and construct your Shop, you must hire an architect that we accept in writing to prepare your plans and make any necessary changes to our standard layout and specifications. In addition, you must hire a licensed and insured general contractor that we accept to complete the build-out of your Shop. Our acceptance of your architect or general contractor will not in any way be our endorsement of your architect or general contractor or render us liable for your architect's or general contractor's performance. When you refresh or remodel your Shop, we may require you to obtain, at your expense, a site survey and design solution from us, our affiliates, or a designated vendor.

You must purchase and install, at your expense, all fixtures, furnishings, equipment (including a Computer System), décor and signs, as we direct. If we modify our menu, we may require you to purchase additional equipment to prepare and store new menu items. You may not install on or about your Shop any merchandise, furnishings, interior or exterior décor items, supplies, fixtures, equipment or utensils unless they have been approved by us in writing. You must purchase these

items only from an Approved Supplier unless we specify otherwise.

You are required to purchase most of the components of the Computer System that we specify from Approved Suppliers. Currently, we have Approved Suppliers for our POS System and for certain software that you must use in your Restaurant, including the Learning Management System. We also require you to use designated Approved Suppliers for point-to-point encryption (“P2PE”) solutions (hardware and software) that are used in cooperation with your POS System to provide secure and compliant payment processing services. If we require you to use any proprietary software or to purchase any software from a designated vendor, you must execute any software license agreements that we or the licensor of the software require and any related software maintenance agreements. We may require you to maintain certain network connections, which may include using an Internet Service Provider or other communications provider that we approve or designate. Currently, we require you to obtain POS System support services from our affiliate. We may require you to maintain other support service contracts and/or maintenance service contracts from us, our affiliates, or designated Approved Suppliers.

We require you to accept major credit cards (Visa, MasterCard, American Express, and Discover) for customer purchases, participate in our Gift Card and Loyalty Programs, and participate in our in-shop mobile and online ordering program. These programs may require that you invest in additional equipment and incur fees from the credit card processing vendors, gift card processing vendors, and other hardware and software vendors that we designate.

We require you to purchase and maintain specific types of insurance coverage as described in more detail in the Franchise Agreement and the Manuals from insurance companies that meet our minimum standards. We also specify the minimum amounts of insurance coverage you must maintain. All insurance policies must name us and others we designate as additional insureds. You must provide us with evidence of your insurance coverage before you begin operations at your Shop, upon annual renewal of your insurance, and otherwise within 10 days of our demand for proof. We reserve the right to obtain a master insurance policy on behalf of the System for certain types of coverage and require you to pay all or a portion of your proportionate share of coverage under the master policy to us or our Approved Supplier.

Currently, except as otherwise detailed above, you may purchase the remainder of the Goods that you use in your Shop from any source, as long as the Supplier and the Goods meet our minimum Standards. We may designate any Supplier as ineligible to supply Goods to you in our sole discretion. Further, we may designate one or more Approved Suppliers for any Goods upon written notice to you.

**We or Our Affiliates as Approved Suppliers.** Except as set forth in this paragraph, neither we nor our affiliates are currently Approved Suppliers for any Goods that you are required to purchase or lease. If you qualify to operate an SRU, you will be required to lease or purchase the cart or kiosk from us or a third party to participate in the SRU Program. Additionally, FSC provides supply chain, quality assurance, distribution, and logistics services to franchisees, and FBRI administers our gift card program, although neither are Approved Suppliers for any Goods. We and our affiliates reserve the right to become an Approved Supplier or the only Approved Supplier for any Goods in the future.

**Interest in Approved Suppliers.** Except through an interest in us or our affiliates, none of our officers owns any interest in any Suppliers with whom you must or are recommended to do business.

**Approval Process.** If you would like to offer products or use any Goods that we have not approved or to purchase or lease from a Supplier that we have not approved, you must submit a written request for approval and provide us with any information that we request. We have the right to inspect the proposed Supplier's facilities and test samples of the proposed Goods. You must pay us a charge not to exceed the reasonable cost of the inspection and our actual cost of testing the proposed Goods or evaluating the proposed Supplier, including personnel and travel costs, whether or not the Goods or Supplier is approved. We have the right to grant, deny, or revoke approval of Goods or Suppliers based solely on our judgment. We will notify you in writing of our decision as soon as practicable following our evaluation. If you do not receive our approval within 90 days after submitting all of the information that we request, our failure to respond will be deemed a disapproval of the request. The products and services that we approve for you to offer in your Shop may differ from those that we permit or require to be offered in other Shops.

Before we approve a Supplier, we will require the following, among other things: (i) the Supplier must demonstrate that it is able to supply the item to you in accordance with our Standards, including our Standards as to the artwork and text on the items; (ii) if the Supplier is to receive access to any of our Confidential Information (defined below), Trade Secrets (defined below), or intellectual property, including logos, the Supplier must sign a confidentiality agreement and/or our standard form license agreement we prepare; (iii) the Supplier must demonstrate that it is in good standing in the business community with respect to its financial soundness and the reliability of its products or services; and (iv) the Supplier must sign all agreements we require our Suppliers to sign at that time.

We may reinspect the facilities and Goods of any Approved Supplier and revoke approval of the Goods or Supplier if any fail to meet any of our then-current criteria. If you receive a notice of revocation of approval, you must cease purchasing or leasing the formerly-approved Goods or any Goods from the formerly-approved Supplier and you must dispose of your remaining inventory of the formerly-approved Goods as we direct. If we revoke approval of an Approved Product that you have been selling to customers or service that you have been using or offering to customers, you must immediately discontinue using or offering the service and may continue to sell the formerly-approved product only from your existing inventory for up to 30 days following our disapproval. We have the right to shorten this period if, in our opinion, the continued sale of the product would prove detrimental to our reputation. After the 30-day period, or such shorter period that we may designate, you must dispose of your remaining inventory of the formerly-approved product as we direct.

**Issuance of Standards and Specifications.** We have established Standards for many of the Goods that a typical Shop uses. Our Standards for packaging material are available to you; however, our proprietary Standards for certain food items are not available to you. To the extent that we establish Standards, require approval of Suppliers, or designate Approved Suppliers for particular Goods, we will publish our requirements in the Manuals or otherwise in writing. We may, at any time, in our discretion, change, delete, or add to any of our specifications or quality Standards. Such modifications, however, will generally be uniform for all franchisees. We will make available to you, via electronic means or otherwise, any changes to our Manuals or Standards.

**Payments from Required Purchases.** We and our affiliates may receive payments based on your purchases and leases, including, without limitation, from charging you for Goods we or our affiliates provide to you and from promotional allowances, volume discounts, and other payments made to us by Suppliers or third parties. If we, our affiliates, or third parties acting under our direction arrange for manufacturers to sell the Goods directly to our Approved Suppliers to then

sell them to you, then we and/or our affiliates will have the right to receive payments and other consideration from the Approved Suppliers, and/or such third parties for these sales. We or our affiliates also may derive revenue from the licensing of the Proprietary Marks to third-party manufacturers who in turn sell the products bearing the Proprietary Marks to distributors or others, who then sell the products to our franchisees and to other third parties. We or our affiliates may also receive payments from leasing or subleasing, from time to time, any Shop premises to franchisees.

We and our affiliates may use all amounts received from Suppliers, or third parties, whether or not based on your and/or other franchisees' actual or prospective dealings with them, without restriction for any purposes we or our affiliates deem appropriate.

During the fiscal year ended December 26, 2021 (“**Fiscal Year 2021**”), we received \$352,534 from required leases of SRU units from us, which was 7.1% of our total revenues of \$51,061,934. During Fiscal Year 2021, we also received \$9,875,504 in payments from Approved Suppliers. These figures are unaudited and internally generated.

During Fiscal Year 2021, (i) AA received \$606,623 from our franchisees for polling and support fees associated with our POS System, (ii) AA received \$1,104,512 in payments from Approved Suppliers, all of which were deposited in the Ad Fund, and (iii) Focus Brands Systems received \$1,925,002 in payments from Approved Suppliers related to purchases made by our franchisees, as well as purchases made by franchisees of other franchise systems in the Focus Brands Portfolio. These figures are unaudited and internally generated.

In administering our gift card program, FBRI receives an administration fee based on the gross gift card sales made. During Fiscal Year 2021, FBRI collected \$6,574 from providing products or services to our franchisees in connection with the gift card program.

Our affiliate, FSC, provides supply chain, quality assurance, distribution, and logistics services for our franchise system. These services include negotiating with Suppliers for the sale of Goods and Proprietary Goods to distributors who will sell and distribute these items to the franchisees, appointing one or more distributors to service our franchisees (the “**Appointed Distributors**”), and managing the inbound distribution logistics associated with direct shop delivery between distributors and franchisees. FSC recovers its costs in performing these services from a per-case distribution fee for all cases sold by the Appointed Distributors to our franchisees and from other logistics related programs. FSC has this same arrangement with the other franchise systems within the Focus Brands Portfolio. During Fiscal Year 2021, collectively for all Focus Brands Portfolio companies, JJ, and all Former Focus Franchisors, FSC collected approximately \$6,159,228 in distribution case fees and logistics savings, which partially offset its operating costs for the year.

**Proportion of Purchases Subject to Specifications.** Currently, we estimate that your purchases from Approved Suppliers and otherwise under our Standards will be about 90% of the total purchases and lease of products and services needed to establish the Shop and about 95% of the total purchases and leases of products and services needed to operate a Shop.

**Cooperatives and Purchasing Arrangements.** Currently, neither we nor AA have arranged any purchasing and/or distribution cooperatives, associations, or programs (collectively, “**Purchasing Programs**”) among our franchisees. We have the right to form Purchasing Programs at any time. If we do form a Purchasing Program, you must (i) become a member by the deadlines we specify, (ii) remain a member in good standing of the Purchasing Program throughout the term of your



Franchise Agreement, and (iii) pay all reasonable membership fees assessed by any Purchasing Programs.

We may, but are not required to, use the services of a food broker to negotiate purchase arrangements, monitor Suppliers, conduct inspections, and carry out various other services related to Suppliers. Although we are not required to, we (or our food broker) may, on occasion, negotiate purchase arrangements with various Approved Suppliers, including equipment and food product manufacturers, some of which operate on a large-scale basis, regarding the purchase, sale, pricing, and/or delivery of Goods for the Shops with the intent to benefit the System; these arrangements may affect your Shop differently than other Shops. The negotiated purchasing arrangements may include special contract pricing and volume discounts that result in lower prices than regular wholesale and/or retail prices. There can be no assurance that special pricing or terms will be available; any negotiated arrangements may be discontinued at any time. We may change our distribution arrangements in the future.

Our affiliate, FSC, has negotiated certain purchasing arrangements for our franchisees. You may purchase your entire requirements (or lesser amount that we may designate) of Goods used in the Shops through Appointed Distributors, taking advantage of any purchasing and logistical arrangements that we have negotiated. We may change our distribution arrangements and purchasing arrangements in the future.

**Material Benefits.** We provide you with no material benefits (like renewal or granting additional franchises) based upon your purchase of particular products or services or your use of designated or Approved Suppliers.

#### ITEM 9. FRANCHISEE'S OBLIGATIONS

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

| Obligation   | Section in Franchise Agreement     | Section in Concession Shop Schedule | Section in Co-Branded Shop Schedule | Section in SRU Addendum      | Section in PBU Addendum | Disclosure Document Item |
|--|------------------------------------|-------------------------------------|-------------------------------------|------------------------------|-------------------------|--------------------------|
| a. Site selection and acquisition/lease                | 5                                  | Not applicable                      | Not applicable                      | 3, 4, and 6                  | Not applicable          | 5, 6, 7, 8, 11 and 12    |
| b. Pre-Opening purchases/ leases                       | 5, 6, 7, 10, and 12.8              | 23.G. and 23.M.                     | 23.D                                | 4, 5, 6, and 9, 11, and 12   | Not applicable          | 5, 7, 8, 11, and 12      |
| c. Site Development and other pre-opening requirements | 5, 6, and 7                        | 23.E., 23.F., and 23.G.             | 23.D. and 23.E.                     | 3, 4, 5, 6, 8, 9, 11, and 12 | 5, 7, and 8             | 7,8, 11, and 12          |
| d. Initial and on-going training                       | 11 and Schedule A – 15, 16, 17, 18 | 23.K.                               | 23.F                                | 10                           | Not applicable          | 11                       |

| Obligation  | Section in Franchise Agreement  | Section in Concession Shop Schedule | Section in Co-Branded Shop Schedule | Section in SRU Addendum | Section in PBU Addendum | Disclosure Document Item |
|---|---|-------------------------------------|-------------------------------------|-------------------------|-------------------------|--------------------------|
| e. Opening  | 6.5 and 17.2.I.   | 23.E.                               | Not applicable                      | 6                       | 4                       | 11                       |
| f. Fees   | 3, 5.4.A., 5.4.E., 5.5.B., 6.2.B., 6.5.D., 8.3, 8.6, 10.1, 10.2, 10.3, 10.4, 11, 12.2, 12.4, 12.6.C., 12.8, 12.9, 12.11, 16.3, 16.4, 16.5, 16.6, 16.8, 17.5.D., 17.5.F., 18.1, 18.2, 18.3, and 19.3 | Not applicable                      | Not applicable                      | Not applicable          | Not applicable          | 5 and 6                  |
| g. Compliance with Standards and policies/the Manuals   | 8 and 12  | 23.J.                               | 23.E.                               | 9                       | 6                       | 8, 11, 15, and 16        |
| h. Trademarks and proprietary information               | 9 and 15  | Not applicable                      | Not applicable                      | Not applicable          | Not applicable          | 13 and 14                |
| i. Restrictions on products/services offered            | 7 and 8   | 23.H.                               | 23.D.                               | 3 and 8                 | 3 and 5                 | 8 and 16                 |
| j. Warranty and customer service requirements           | Not Applicable  | Not applicable                      | Not applicable                      | Not applicable          | Not applicable          | Not applicable           |
| k. Territorial development and sales quotas             | Not Applicable  | Not applicable                      | Not applicable                      | Not applicable          | Not applicable          | Not applicable           |
| l. Ongoing product/service purchases                    | 7, 12.8, 12.9, and 12.11  | Not applicable                      | 23.G.                               | Not applicable          | Not applicable          | 6 and 8                  |
| m. Maintenance, appearance, and remodeling requirements | 2.2.B.(i), 6, 12.5, 12.6, and 16.3.F.   | 23.L.                               | Not applicable                      | Not applicable          | Not applicable          | 11                       |
| n. Insurance  | 13.2, 13.3, and Schedule A – 20.  | Not applicable                      | Not applicable                      | 12                      | 8                       | 6, 7,8, and 11           |
| o. Advertising  | 10  | Not applicable                      | Not applicable                      | Not applicable          | Not applicable          | 6 and 11                 |

| Obligation                                   | Section in Franchise Agreement                      | Section in Concession Shop Schedule | Section in Co-Branded Shop Schedule | Section in SRU Addendum | Section in PBU Addendum | Disclosure Document Item |
|--|---|-------------------------------------|-------------------------------------|-------------------------|-------------------------|--------------------------|
| p. Indemnification                           | 13.1  | Not applicable                      | Not applicable                      | Not applicable          | Not applicable          | 6                        |
| q. Owner's participation/management/staffing | 12.7 and Schedule A - 19                            | Not applicable                      | Not applicable                      | Not applicable          | Not applicable          | 15                       |
| r. Records/reports                           | 14  | Not applicable                      | Not applicable                      | Not applicable          | Not applicable          | 6                        |
| s. Inspections and audits                    | 6.5, 7.3.A., 7.4, 11.5, 12.2, 12.3, 14, and 17.3.A. | Not applicable                      | 23.I.                               | Not applicable          | Not applicable          | 6                        |
| t. Transfer                                  | 16  | Not applicable                      | 23.J.                               | Not applicable          | Not applicable          | 6 and 17                 |
| u. Renewal                                   | 2.2   | 23.C.                               | 23.C.                               | Not applicable          | Not applicable          | 6 and 17                 |
| v. Post-termination obligations              | 18  | Not applicable                      | Not applicable                      | Not applicable          | Not applicable          | 17                       |
| w. Non-competition covenants                 | 15 and Schedule B                                   | Not applicable                      | Not applicable                      | Not applicable          | Not applicable          | 17                       |
| x. Dispute resolution                        | 19 and 22.5   | Not applicable                      | Not applicable                      | Not applicable          | Not applicable          | 6 and 17                 |
| y. Personal Guaranty                         | 1.4 and Schedule C                                  | Not applicable                      | Not applicable                      | Not applicable          | Not applicable          | Not applicable           |

## ITEM 10. FINANCING

We do not offer financing for trade fixtures, opening inventory, or any other purpose.

We may refer you to leasing or financing companies not affiliated with us. We and our affiliates receive no fees or other financial benefits from any lender for your financing. Currently, we do not guarantee your note, lease or obligation, for any lender, or any other person or entity. We may engage an advisor to provide consulting services to franchisees to assist them with securing financing, and we may pay the advisor for this assistance to franchisees. We will not be responsible for the consultant's provision of services to you and if you choose to use the consultant, you must sign the consultant's form of agreement. You will not be required to participate in any financing program that we implement.

We, in our sole discretion and subject to availability, may grant to qualified franchisees the right to lease and operate an SRU as an additional selling location within the mall, airport, enclosed building or other retail location where an existing Shop is located. Such lease is controlled by the

terms of the SRU Lease Agreement. Participating franchisees are responsible for lease payments for a period of at least 12 months. See Items 6 and 8.

We participate in the SBA's Franchise Directory. We may modify the Franchise Agreement, if necessary, to comply with SBA requirements for you to participate in certain SBA loan programs.

We may sell, assign, or discount to a third party any note, financing-related contract or other instrument you give to us.

On a limited basis, we may provide selected franchisees who operate or distribute authorized products through special distribution outlets a guaranty or other direct or indirect financing.

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

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

As noted in Item 1, we have entered into a management agreement with Focus Brands for it to provide certain support and services to Auntie Anne's franchisees. Focus Brands may delegate certain of these responsibilities to AA, the previous franchisor of Auntie Anne's franchises. However, we remain responsible for all of the support and services required under the Franchise Agreement.

#### **Our Pre-Opening Obligations**

Before you open your Shop, we will fulfill the following obligations:

**1. Site Selection Review.** We will review the location you select for your Shop and accept it if it meets our minimum site criteria, at which point it will become the Accepted Location. You may not acquire the Accepted Location until we have accepted it. If you and we have not agreed on an Accepted Location at the time we sign the Franchise Agreement, you must select a location that complies with our site selection criteria within a geographic area that we specify. For any proposed site, we may require you to obtain a site selection analysis from an Approved Supplier, which may include an analysis of such factors as traffic patterns, demographics, and competitors within the market, and provide us with a copy of this analysis. We estimate the cost for this site selection analysis will be \$2,500 to \$5,000. We consider the following factors in determining whether to accept sites: population density and demographics, traffic flow, pedestrian traffic counts, visibility, parking, access, household income, and local competition, including other Shops. There is no time limit for us to approve or disapprove of a site. (Franchise Agreement, Section 5.1)

While we may assist you in selecting a proposed site, we are not obligated to do so. We or our affiliates typically do not lease or sublease locations for Shops, but we may do so from time to time. (Franchise Agreement, Section 5.2)

We expect you to retain an independent expert to evaluate the suitability of a proposed site and to conduct your independent investigation of the site. We disclaim any responsibility for the suitability of the Accepted Location. Our acceptance of the site is based on the site satisfying our minimum site selection criteria only and will not be construed as a representation or warranty that the Shop located at the Accepted Location will be successful. (Franchise Agreement, Section 5.3)

**2. Site Agreement.** You must deliver a copy of the signed lease, sublease, or other rental agreement for the location (the “**Lease**”) or purchase agreement for the location (the “**Purchase Agreement**”) and, collectively with the Lease, the “**Site Agreement**”) to us with all material terms specified therein. You will be solely responsible for negotiation of the terms of the Site Agreement and performance under the Site Agreement. We will have the right, but not the obligation, to review your Site Agreement prior to its execution to verify its compliance with our requirements. (Franchise Agreement, Section 5.4)

**3. General Contractor.** You must hire a licensed and insured general contractor (“**General Contractor**”) to complete the build-out of your Shop, and the General Contractor must be accepted by us. Our acceptance of your General Contractor will not in any way be our endorsement of your General Contractor or render us liable for your General Contractor’s performance. (Franchise Agreement, Section 6.1)

**4. Architectural Plans.** We will provide a sample layout and specifications for the Shop. You must, at your expense and subject to our acceptance, employ architects, designers, and others as necessary to prepare your Architectural Plans. We will review your proposed architects and Architectural Plans, which we must accept prior to you submitting for permits and beginning construction. Our acceptance of your architect will not in any way be our endorsement of your architect or render us liable for your architect’s performance or your architect’s compliance with professional design standards or adherence to local codes. After our initial review of your Architectural Plans at no cost and our review of one revised set of Architectural Plans that incorporate our required changes at no cost, we may charge a fee of \$1,000 for each set of drawings we review that include any other modifications from the plans that we have previously accepted. You may be required to periodically provide photographs of your construction progress from the time you commence construction until the time that you request our consent to open your Shop. We may inspect your Shop when construction is finished to make sure that it meets all of our Standards and requirements. You may not open the Shop until we provide our consent in writing. (Franchise Agreement, Sections 6.2, 6.3, and 6.5)

**5. Goods.** We will furnish you with any specifications for Goods, to the extent that we publish such specifications. (Franchise Agreement, Sections 7.1. and 7.2)

**6. Approved Suppliers.** We will identify Approved Suppliers for all Goods required to be used in the Shop and use reasonable efforts to fulfill or cause Approved Suppliers to fulfill your orders for Goods on a timely basis. If we, our affiliates, and/or our Approved Suppliers cannot supply customers (including yourself and other franchisees) with the quantity and type of Goods that they request, then we will try to allocate the available quantities and types of Goods on an equitable basis among businesses seeking to purchase the Goods. If you do not receive Goods from us, our affiliates, or our Approved Suppliers, this will not be our breach of the Franchise Agreement, nor will we, our affiliates, or our Approved Suppliers be liable to you for this. (Franchise Agreement, Section 7.1.B.)

**7. Manuals and Advice.** We will share with you our know-how in operating a Shop and grant you electronic or other access to our Manuals and content containing the information, methods, techniques, and specifications for the operation of a Shop. See “Manuals,” below in this Item. (Franchise Agreement, Section 8.1)

**8. Initial Training.** We will provide initial training in the System and our policies and procedures to your trainees. See “Training,” below in this Item. (Franchise Agreement, Section 11.A.)

**9. Approve Grand Opening Materials.** We will approve or disapprove, in writing, any materials that you proposed to use in grand opening advertising promoting the opening of your Shop. You must obtain our written approval for the grand opening advertising plan at least 30 days prior to your grand opening. (Franchise Agreement, Section 10.1.C.)

**10. Approve Opening.** We will approve the opening of your Shop, provided you have met your pre-opening obligations. We estimate that the typical time between signing the Franchise Agreement and opening your Shop is 3 to 12 months. Factors affecting this time include attendance at, and satisfactory completion of, the Management Training Program; obtaining the Lease; obtaining all necessary permits; completion of construction; and delivery and installation of equipment and supplies. For a Shop, you must (i) identify the Accepted Location, (ii) obtain our acceptance of the Accepted Location, (iii) sign any documentation we require to document the Accepted Location, (iv) obtain our acceptance of a Lease for the Accepted Location, (v) sign the accepted Lease for the Accepted Location or otherwise acquire the ownership rights to the Accepted Location, and (vi) submit to us a complete set of final Architectural Plans within 150 days after you sign the Franchise Agreement (the “**Site Approval Deadline**”). You must begin construction at the Accepted Location within 270 days after we sign the Franchise Agreement (the “**Construction Start Deadline**”). You must open your Shop within 360 days after we sign the Franchise Agreement (the “**Opening Deadline**”). We may, in our sole discretion and upon your request, grant you an extension to any of these deadlines for a fee. We may terminate your Franchise Agreement (without refunding the Initial Franchise Fee) if you fail to meet the Site Approval Deadline or the Construction Start Deadline and fail to cure such failure within 30 days or if you do not meet the Opening Deadline. (Franchise Agreement, Section 6.5)

### **Obligations After Opening**

During the operation of your Shop, we will fulfill the following obligations:

**1. Approved Suppliers.** We will continue to identify Approved Suppliers for Goods to be used in your Shop. (Franchise Agreement, Sections 7.1 and 7.2)

**2. Review Proposed Suppliers and Goods.** If you would like to offer products or use any Goods that we have not approved or to purchase or lease from a Supplier that we have not approved, you must submit a written request for approval and provide us with any information that we request, which we will review and approve or disapprove. See Item 8. (Franchise Agreement, Sections 7.3)

**3. Ad Fund Management.** We will manage the Ad Fund as described below in this Item. (Franchise Agreement, Section 10.3)

**4. Update Standards and Manuals.** We will provide you with notice of any changes to our specifications, Standards, or the Manuals. You must immediately adopt any supplements to the Manuals that we provide to you. (Franchise Agreement, Section 8.3)

**5. Review Advertising.** We will approve or disapprove any of your proposed Advertising and Promotional Content (as defined below) that requires our prior written approval. (Franchise Agreement, Section 10.1.B.)

**6. Support Services.** We will furnish you with those support services we consider advisable. We may provide these services on-site, off-site, by telephone, or through other means. Timing will depend on the availability of our personnel. (Franchise Agreement, Section 11.5)

**7. Relocation Review.** We will evaluate sites to which you propose to relocate your Shop in accordance with the site selection criteria provisions described above in this Item. (Franchise Agreement, Section 5.5)

**8. Remodeling Review.** We will review and approve or disapprove your general contractor and proposed replacement designs, furniture, fixtures, equipment, and décor when you refresh or remodel your Shop. (Franchise Agreement, Section 12.6)

## **Advertising**

**Our Advertising.** We are not obligated to conduct any advertising. We may periodically formulate, develop, produce, and conduct, at our sole discretion, advertising or promotional programs in such forms and media as we determine to be most effective. We may make available to you for you to purchase approved advertising and promotional materials, including signs, posters, collaterals, etc. that we have prepared.

**Ad Fund.** We will allocate your Advertising Contributions to a fund for the advertising and promotion of the Shops, the Proprietary Marks, and the System (the “**Ad Fund**”). Currently, you must make a monthly Advertising Contribution to the Ad Fund in the amount of 1% of Net Sales for Shops located in Other Locations and 3% of Net Sales for Shops located in Streetside Locations. We may increase the Advertising Contribution by notice to franchisees. However, your required Advertising Contribution and Local Marketing Obligation may collectively not exceed 5% of your Net Sales. Your Advertising Contribution is in addition to your Local Marketing Obligation and your Grand Opening Obligation (as defined below).

We currently do not, and are not required to, maintain the Ad Fund, Advertising Contribution you paid, or income earned from contributions to the Ad Fund in a separate account from our other money. Our Shops will contribute to the Ad Fund in the same manner and in the same amounts as similarly-situated franchised Shops. Our other franchisees may not be required to contribute to the Ad Fund, may be required to contribute to the Ad Fund at a different rate than you, or may be required to contribute to a different advertising fund.

We or an affiliate will administer the Ad Fund. We have sole authority to direct all advertising programs and promotions and uses of the Ad Fund, with sole control over the creative concepts, materials, and media used in the programs, and the placement and allocation of advertising. We reserve the right to use any media, create any programs, and allocate advertising and promotional expenditures to any regions or locales we deem appropriate.

We may use the Ad Fund to meet the costs of administering, preparing, and conducting national, local, or regional advertising, promotional, or brand building programs of any kind, including the cost of (i) preparing and conducting television, radio, magazine, newspaper, and digital advertising campaigns and other public relations activities (including, but not limited to, for purposes of brand reputation management), (ii) employing public relations firms and advertising agencies to assist in these activities, and (iii) conducting other activities that are directly or indirectly designed to promote the System, its franchisees, and/or increase System sales, such as limited-time menu offerings, crew incentives, franchisee incentive and/or promotional programs, customized materials (e.g., cups), up-sell programs, guest response programs, manager/employee recognition programs, quality assurance and food safety programs, mystery shop and shopper programs, brand websites and ordering platforms, brand applications, social media account administration and promotion, and in-store equipment and technologies related to such marketing programs. We may use the Ad Fund to compensate us for the reasonable

administrative costs and overhead we incur in activities related to advertising and promotional programs, including new product development; market research; preparing advertising and promotional materials; Digital Marketing (as defined below); working with public relations firms, advertising agencies, advertising placement services, and creative talent; reimbursing franchisee advisory council meeting expenses; developing and maintaining, and paying third parties for the development and maintenance of, internet sites, applications, and other equipment and technologies related to marketing programs.

The advertising and promotions that we conduct are intended to maximize general public recognition and patronage of the System generally in the manner that we determine to be most effective. We reserve the right to use any media, create any programs, and allocate advertising and promotional expenditures to any regions or locales we deem appropriate. We will not spend the Ad Fund in a manner that (i) exclusively benefits our licensees that manufacture and sell Approved Products, if any, or (ii) is principally a solicitation for the sale of franchises. We have no obligation to make expenditures from the Ad Fund that are proportionate or equivalent to your contributions, ensure that you benefit directly or proportionately or in any amount from the placement of advertising, or ensure that any advertising impacts or penetrates your area.

Currently, we use one or more national and/or regional advertising agencies, as well as our in-house marketing department, to develop and produce our marketing materials. In Fiscal Year 2021, 22% of the Ad Fund was spent on media placement (including tv, radio, print, digital, and social media placement); 36% on production and agency fees (including promotions, press relations, agency retainer fees and creative services, market research fees, and digital team salaries); 4% on menu innovation, guest response programs, and quality assurance programs; 34% on brand and category marketing expenses (including salaries of marketing personnel); and 4% on administrative expenses.

We may use the Ad Fund to pay for Auntie Anne's Franchise Advisory Council expenses. This Council has no authority over our marketing or business plans, although its input into the strategy and planning process is of great importance to our business plans. We will oversee all marketing and advertising and have sole discretion over the strategy, creative concepts, materials, and media used in these programs and the allocation and distribution of the Ad Fund.

We are not required to have an independent audit of the Ad Fund completed. We will provide you with an annual summary of the expenditures of the Ad Fund on your reasonable request but are not required to prepare financial statements for the Ad Fund. If any monies in the Ad Fund remain at the end of a fiscal year, they will carry-over in the Ad Fund into the next fiscal year. Any amounts that we or our affiliates contribute to the Ad Fund in excess of the required Advertising Contribution for Shops that we or they operate and any spending on advertising that we or they make in excess of the amounts then available in the Ad Fund will be considered an advance from us or our affiliates to the Ad Fund. We and/or our affiliates have the right to be reimbursed from the Ad Fund any amounts that are advanced to the Ad Fund.

We intend for the Ad Fund to be perpetual; however, after all of the Ad Fund contributions have been spent for the purposes described above, we may terminate the Ad Fund.

**Advertising Council.** We do not have an advertising council composed of franchisees that is involved in decision making on advertising issues, but the Auntie Anne's Franchise Advisory Council ("**FAC**") provides us suggestions on advertising issues. The FAC is advisory only and does not have decision-making authority. At a minimum, the majority of the members of the FAC are franchisees in good standing who are nominated and elected by other franchisees, and the



remainder of the members are franchisees or other representatives who may be appointed by us. We have the power to form, change, or dissolve the FAC or any other advertising or advisory council at any time.

**Advertising Cooperatives.** You are required to participate in any local, regional, or national cooperative advertising group consisting of other Shops (an “**Advertising Cooperative**”) that we specify, when and if any of these groups are created. Currently, we do not have any Advertising Cooperatives. We will designate the particular Advertising Cooperative(s) in which you may be required to participate (which designations may be based on, without limitation, the particular Designated Market Area or the Area of Dominant Influence, as those terms are used in the advertising industry, where your franchise is located). If we collect your entire Local Marketing Obligation, we will not require you to participate in an Advertising Cooperative. You will enter into any formal agreements with the other franchisees of the System and/or us, as the case may be, as is necessary or appropriate to accomplish the goals of the Advertising Cooperative and you must abide by the formal agreements and decisions that we authorize the Advertising Cooperative to make on advertising and marketing in the area covered by the Advertising Cooperative.

Your payments to any Advertising Cooperative will be determined by you and those other franchisees and/or us, as the case may be, who are participants in the Advertising Cooperative, as set forth in the by-laws of that Advertising Cooperative or membership, dues, participation, or other payment agreements of the Advertising Cooperative. Amounts paid to an Advertising Cooperative will be credited against your Local Marketing Obligation. Any contributions that you make to an Advertising Cooperative shall be additional to your Advertising Contribution and your Grand Opening Obligation. We may require any Advertising Cooperatives to only use public relations firms and advertising agencies that are Approved Suppliers. All proposed advertising and promotional materials produced by, or on behalf of, Advertising Cooperatives must be submitted to us for our written approval before use. We may on 30 days’ written notice to you suspend or terminate an Advertising Cooperative’s program or operations. As a member, officer or director of an Advertising Cooperative, at our request, you will provide to us all information we request related to the Advertising Cooperative and you must provide this information within 10 days after our request to you. We are not obligated to contribute to Advertising Cooperatives. Each Advertising Cooperative may require different contributions from its members, but all members in a given Advertising Cooperative will pay on the same basis.

The franchisee members are responsible for administration of their respective Advertising Cooperative, as stated in the by-laws and any payment agreements that may govern the Advertising Cooperative. The by-laws and governing agreements will be made available for review by the Advertising Cooperative’s franchisee members. We may require an Advertising Cooperative to prepare annual or periodic financial statements for review. At your request, you may obtain a copy of any annual or periodic financial statements your Advertising Cooperative prepares. Each Advertising Cooperative will maintain its own funds; however, we have the right to review the Advertising Cooperative’s finances, if we so choose. We maintain the right to approve all of an Advertising Cooperative’s marketing programs and advertising materials. On 30 days’ written notice to affected franchisees, we may terminate or suspend an Advertising Cooperative’s program or operations. We may form, change, dissolve or merge any Advertising Cooperative.

**Local Advertising, Marketing, and Promotion.** Except as otherwise provided in the Manuals, you may use only Advertising and Promotional Content that we have furnished or approved in writing in advance. “**Advertising and Promotional Content**” includes all advertising, marketing, promotional, customer relationship management, public relations, and other brand-related

programs, materials, and content relating to the Shop, the Marks, or the Approved Products, including (i) any branded materials (such as business cards, signs, counter cards, banners, posters, displays, window clings, and in-store messaging), (ii) press releases, (iii) printed materials (such as leaflets, direct mail materials, coupons, and published advertisements), (iv) promotional items (such as branded specialty and novelty items, products, and clothing), (v) audio or video advertising (such as radio, television, or podcast ads or online video postings), and (vi) Digital Marketing (as defined below). You must ensure that all Advertising and Promotional Content that you or your agents or representatives develop or implement related to the Shop is (a) clear, factual, ethical, and not misleading, (b) complies with all laws, and (c) conforms to our Standards and the advertising and marketing policies that we periodically specify.

Currently, except for Advertising and Promotional Content we furnish to you and certain branded content social media postings, you must submit to us for our written approval, before use, copies of all proposed Advertising and Promotional Content that you intend to use or implement. We have the right to approve or disapprove (or to require you to discontinue using) any Advertising and Promotional Content, as well as the media in which intend to use them, in our sole discretion.

Currently, to satisfy your Local Marketing Obligation, each calendar quarter, you must spend on local market advertising an amount that is not less than 1% of your Net Sales. We may change the Local Marketing Obligation, provided that we must give you at least 60 days' written notice of the change. You will determine the amount of funds you spend for individual local market advertising, subject to the minimum Local Marketing Obligation. Local advertising expenditures must comply with our requirements in order to count toward the Local Marketing Obligation. If you fail to meet the Local Marketing Obligation, we will have the right to spend an amount not to exceed 1% of the Net Sales of your Shop on local advertising for you, and you will reimburse us for these expenses after receiving our invoice. Amounts you contribute to an advertising cooperative will be credited toward the Local Marketing Obligation. Your Local Marketing Obligation is in addition to your Grand Opening Obligation and your required Advertising Contribution.

We have the right upon written notice to you to require you to pay all or a portion of the Local Marketing Obligation to us for us to, in our sole discretion, (a) contribute to the Ad Fund, (b) spend on national, regional, or local advertising campaigns, (c) contribute to your Advertising Cooperative, or (d) spend on local advertising in your market. If we exercise our right to collect your entire Local Marketing Obligation (and not just a portion of it), you will not be required to (x) spend a minimum amount on local advertising (other than your Grand Opening Obligation), (y) provide a local marketing plan, or (z) participate in, or contribute to, your Advertising Cooperative. We are not obligated to ensure that the Local Marketing Obligation monies that we spend are proportionate or equivalent to your contributions or that your Shop will benefit directly or pro rata or in any amount from the placement of advertising.

From time to time, we or your Advertising Cooperative (if any) may establish temporary or permanent promotional campaigns (e.g., limited time offers, gift cards, coupons, loyalty programs, customer relationship management, and other supplemental marketing programs) applicable to the System as a whole or to specific advertising market areas. You are required to participate in these promotional programs at your own cost, including the costs to purchase, lease and install all materials necessary to the promotional campaigns, including counter cards, posters, banners, signs, photographs, give-away items, and gift cards. However, for some national promotions, we will provide you with marketing and promotional materials that are to be utilized in your Shop for these events, which will be paid for through the Ad Fund.

**Digital Marketing.** We or our affiliates, in our sole discretion, may establish and operate websites, social media accounts (such as Facebook, Twitter, Instagram, Pinterest, Snapchat, TikTok, etc.), applications, keyword or adword purchasing programs, accounts with websites featuring gift certificates or discounted coupons (such as Groupon, Living Social, etc.), mobile applications, online videos, display banner campaigns, e-mail marketing campaigns, or other means of digital advertising on the Internet or any other means of digital or electronic communications (collectively, “**Digital Marketing**”) that are intended to promote the Proprietary Marks, your Shop, and the entire network of Shops. We will have the sole right to control all aspects of any Digital Marketing, including those related to your Shop.

Unless we consent otherwise in writing, you may not, directly or indirectly, conduct or be involved in any Digital Marketing that use the Proprietary Marks or that relate to the Shop. If we do permit you to conduct any Digital Marketing, you must (i) comply with any Standards or content requirements that we establish periodically and must immediately modify or delete any Digital Marketing that we determine, in our sole discretion, is not compliant with such Standards or content requirements, (ii) only use materials that we have approved and must submit any proposed modifications to us for our approval, (iii) not use any Proprietary Mark on any aspect of the Digital Marketing (including in any domain name, address, or account) except as we expressly permit, (iv) include any information that we require, and (v) include only the links that we approve or require. We retain the right to pre-approve your use of linking and framing between any Digital Marketing that you conduct and all other websites. If we consent to your use of the Proprietary Marks (or words or designations similar to the Proprietary Marks) in any domain name, electronic address, website, or other source identifier, we may register such names, addresses, websites, or identifiers and then license use of the registered item back to you under a separate agreement. You must pay all costs due for registration, maintenance, and renewal of any such names, addresses, websites, or identifiers that we approve and maintain on your behalf. We retain the ownership of copyright to any of the materials that you may develop for use on the Internet. We may withdraw our approval for any Digital Marketing at any time.

**Grand Opening Advertising.** You must spend between \$1,000 (\$2,000 for Co-Branded Shops) and \$5,000 on grand opening advertising promoting the opening of your Shop during the period beginning 90 days before you open the Shop and 90 days after you open the Shop (the “**Grand Opening Obligation**”). All Advertising and Promotional Content you use for this Grand Opening Obligation, and the media in which you use them, are subject to our approval. You must obtain our written approval for the grand opening advertising plan at least 30 days prior to your grand opening.

### **Pricing**

We may, if permitted by applicable law, establish maximum, minimum, or other pricing requirements with respect to the prices you may charge for Approved Products, including required participation in systemwide discount programs and promotions. If we do not establish such pricing requirements, then you will have the right to determine the prices you charge.

### **Computer and POS Systems**

You must provide financial and business records and information to us according to reporting formats, methodologies and time schedules that we establish. As part of these record keeping requirements, you must install computerized Shop management systems meeting our Standards, as modified in response to business, operations and marketing conditions. Accordingly, you must promptly purchase, lease and/or license and install at the Shop, at your sole expense, the POS

System, computer systems, mobile hardware, software, associated computer hardware, telephone lines, network connections, communications equipment, high speed internet access (e.g. DSL or cable), credit card, gift card and loyalty card processing equipment, and other equipment that we require from time to time (collectively, the “**Computer System**”), all of which you must keep in good maintenance and repair. We estimate the total cost of the Computer System, including installation and setup fees, will be between \$6,000 and \$24,000 for a Full Shop and \$6,000 and \$13,000 for a Concession Shop, depending on the size of your Shop. For a Co-Branded Shop, the Computer System that we require meets both our and the Co-Branded Franchisor’s standards. You may incur additional expenses if you require additional equipment, training, or installation services. We may require you to purchase, license, or lease additional hardware or software.

The Computer System includes a POS System that we specify, the principal functions of which are to manage permanent financial records of sales transactions at your Shop, cash control, inventory control, and menu and price change control, among other things. We will have independent electronic and manual access to certain information within the POS System and there are no contractual limitations on our right to access this information. We have developed interfaces with our preferred providers that facilitate this access. You must provide any assistance we require to bring your POS System online with our headquarters system at the earliest possible time and in the manner we prescribe. You must accurately, consistently, and completely record, structure, capture and provide all required information through your POS System in accordance with all applicable laws and protect such information as required.

To maintain a consistent reporting system, you must purchase or lease and use a POS System specified by us from an Approved Supplier. We estimate that the initial cost to you for the POS System and related necessary equipment, including installation, currently ranges from \$4,400 to \$20,000 for a Full Shop and \$4,400 to \$10,000 for a Concession Shop, depending on the number of terminals, travel costs, and other logistical factors. We or the POS System vendor may require you to purchase, license, or lease additional hardware or software. In addition, you may incur additional expenses if you require or would like additional equipment, training, or installation services.

In addition, there may be ongoing license, maintenance, and service fees associated with the maintenance and operation of the POS System. You must maintain your POS System and keep it in good repair and procure any services necessary for the POS System to communicate with our system. We currently require you to obtain the required support and maintenance service from us or our affiliate by signing the POS System Support Services Agreement attached in Exhibit C to this Disclosure Document. Currently, we estimate that you will pay monthly license and support fees that when aggregated on an annual basis will be between \$3,200 and \$10,500 for Shops and \$3,200 and \$6,500 for Concession Shops (not including certain per transaction fees), including POS System license fees, P2PE software license fees, the POS System Support Fee, and the Mobile Device Management Fee. These fees are subject to change.

You are required to purchase a dedicated iPad® or Windows® tablet/computer that meets the hardware and software specifications necessary to use our Learning Management System. This tablet will be used to deliver training materials, digital recipes, videos, communication, and engagement activities digitally. You are currently required to pay our Approved Supplier a license fee of \$40 per year to use the Learning Management System. In the future, this fee is expected to be approximately \$200 per year and may be payable to us. The annual license fee may change from time to time.

You must dedicate a high-speed broadband or frame relay connection that meets our specifications for the sole purpose of supporting your Computer System. Any other technology options, such as satellite, cellular, etc. must be approved by us before you order service with a provider. We may require you to use an Internet service provider that we approve, and we may require you to maintain a set minimum bandwidth. You also must obtain all telecommunications and computer infrastructure products required to access the Internet and to support our then-current information technology system. We or our vendors may require you to communicate, receive notices, or place orders through the Internet, including through websites or intranets, or other communication methods that we specify. We may require you to establish a Wi-Fi network for your guests, which must be separate from any networks that you use to process credit cards.

We may require that you use one or more Approved Suppliers to provide credit card data and security services that are consistent with PCI-DSS requirements, including a managed firewall, quarterly network scan, anti-virus/anti-malware software, and managed Wi-Fi. We may also require you to obtain data breach protection insurance provided by such Approved Supplier. We estimate that these services will cost between \$75 and \$150 per month.

The hardware, software and support services related to the Computer System are generally available through our Approved Suppliers, which may include us or our affiliates. We will consider approving, but are not required to approve, other vendors who meet our system specifications. If you wish to use another vendor, you must submit a written request to us for approval of the vendor before placing an order with the vendor. See Item 8. If we, after your request, authorize you to use a POS System other than the one described above, you must pay all the costs associated with building the interface necessary to allow your system to communicate with our system, to the extent we determine.

Except as provided under the POS System Support Services Agreement, we and our affiliates are not contractually obligated to provide any maintenance, updating, upgrading, or support contracts related to the Computer System. Other than as specified above for the POS System, we do not require you to, and do not anticipate that you will need to, enter into any maintenance, updating, upgrading, or support contracts relating to the Computer System.

We may revise our specifications for the Computer System (including the POS System) from time to time. You are contractually required to make periodic upgrades and updates to the Computer System to remain in compliance with our Standards. If it becomes advisable at any time, in our sole discretion, for us to change, upgrade, or discontinue use of any of the components of the Computer System or the model of POS System, you will comply with our directions, at your expense, within a reasonable time after notice to you. If we require you to use a different POS System, you must stop using the old POS System, purchase the new POS System, sign any required software license agreement and any required maintenance/update agreements with the vendor, pay any related POS System Support Fees, and use the new POS System. We can require you to add, substitute or replace computer hardware, memory, ports, accessories, peripheral equipment, or software, or to replace your Computer System. There are no contractual limitations on the frequency or cost of your obligation to upgrade and replace hardware and software for your Computer System.

## **Manuals**

The Manuals contain mandatory and suggested specifications, standards, and operating procedures. The Manuals are confidential, remain our property, and must be kept secure. The Manuals are currently provided electronically through the Learning Management System. Currently, you must pay a license fee to our Approved Supplier in order to use such system. We

will give you an opportunity to view the Manuals in the corporate office or at another agreed-upon location before you purchase a franchise, if you so request.

## **Training**

Below, we have described our current training program. We reserve the right to modify our training program at any time, including the timing, frequency, length, content, format, and location of training.

**Management Training Program.** Your Required Trainees (including one Manager (who may be you or your Primary Contact), one other employee involved in the operation of the business, and any other people that we designate) must attend and successfully complete to our satisfaction the Management Training Program before they may be involved in the operation of your Shop. In addition, your Primary Contact must successfully complete (i) a limited version of the Management Training Program designed for Primary Contacts (the “**Primary Contact Training**”), if they will not be involved in the day-to-day operation of the Shop or (ii) the entire Management Training Program, if they will be a Manager involved in the day-to-day operation of the Shop (in which case, they will count as one of your Required Trainees). Your Directors of Operations, if any, must also attend and successfully complete to our satisfaction our Management Training Program (or a modified version of it) and any other additional training programs that we may require.

All individuals attending our Management Training Program must be at least 18 years old. If any of your Required Trainees have previously attended and successfully completed our Management Training Program and you or they have not defaulted under any other franchise agreement with us, we may, in our sole discretion, determine that such Required Trainee is not required to attend the Management Training Program again or will be required to attend a limited version of the Management Training Program.

We conduct the Management Training Program periodically as needed. All or certain portions of the Management Training Program may, in our discretion, be conducted online or in person at our corporate headquarters in Atlanta, Georgia or other locations authorized by us. Your trainees may not attend the Management Training Program until your Shop is under construction and you have provided us with your fully signed Lease that we have approved and evidence of the insurance that is required under your Franchise Agreement. Training programs and classes are subject to space and time availability.

The Initial Franchise Fee includes the cost of the Management Training Program for your Required Trainees and the Primary Contact Training. We reserve the right to charge you a reasonable training fee if we permit you to bring additional trainees, other than the Required Trainees, to the Management Training Program, or if your Required Trainees are trained in separate sessions.

At least one of your Required Trainees must successfully complete the Management Training Program at least two weeks before you open your Shop. We have the right in our reasonable discretion to determine whether a trainee has successfully completed the Management Training Program. If we conclude that a Required Trainee has failed to successfully complete the Management Training Program, that Required Trainee must re-enroll in our next scheduled applicable Management Training Program at no additional charge. We will have the right to terminate the Franchise Agreement if, following the Management Training Program and any re-

enrollment training, if any, none of your Required Trainees have successfully completed the Management Training Program.

We also recommend that your Primary Contact or at least one of your Managers attend the opening of another franchisee’s Shop before you open your own Shop. We will work with you to facilitate this experience, if requested, but you will be responsible for all associated costs.

If you operate a Co-Branded Shop, you will also need to attend the initial training program provided by the applicable Co-Branded Franchisor, as described in its Franchise Disclosure Document.

Currently, our Management Training Program consists of the following:

**TRAINING PROGRAM**

| <b>Subject</b>  | <b>Hours of Classroom Training</b> | <b>Hours of On-The-Job Training</b> | <b>Location</b>  |
|---|------------------------------------|-------------------------------------|--|
| Orientation History of Auntie Anne’s; Introduction of Facilities and Equipment; Safety, Hygiene   | 4                                  | 0                                   | Online, our corporate headquarters in Atlanta, Georgia or other locations authorized by us from time to time |
| Dough Preparation and History of the Pretzel; Initial Pretzel Rolling and Twisting and Cleaning Procedures  | 2.5                                | 0                                   |  |
| Cash Register Basics; Loyalty Program operations.   | 2                                  | 0                                   |  |
| Preparation of Pretzel Types; Roll and Count Pretzels; Customer Service and Teamwork; Cleaning Procedures; Pretzel and Shop Operations  | 8.5                                | 16                                  |  |
| Practice operations and shop procedures while working in functioning shop; Inventory and Ordering Process; One on One Evaluation  | 0                                  | 8                                   |  |
| Leadership Style; Corporate Communications; Identify behavior style of self and others; Utilize your style to lead and build team. Food & Workplace Safety; Management Skills, Delegation & Time Management | 8                                  | 0                                   |  |
| Review business model, maximizing profits; Review support from Franchise Business Consultant; Guest feedback program; Public Relations, Marketing Services and Strategies; POS review and reports           | 8                                  | 0                                   |  |
| Retail technology; Purchasing Presentation, Guest Service, Managing multiple generations, Equipment Preventative Maintenance  | 8                                  | 0                                   |  |

| Subject   | Hours of Classroom Training | Hours of On-The-Job Training | Location                                     |
|---|-----------------------------|------------------------------|--|
| Retention, Loss Prevention; Training the Team; Coaching the Team; Accounting & Finance; Franchise Presentation; Specialty Retail review | 7                           | 0                            |  |
| Work in existing franchisee's Shop  |                             | Up to 5 days<br>– 40 hours   | Locations authorized by us from time to time |
| <b>TOTAL</b>  | <b>48</b>                   | <b>24 to 64</b>              |  |

**Instructional Materials.** We use various forms of instructional materials in the Management Training Program, including classroom lectures, videos, workbook assignments, role-playing, and hands-on experience working in a fully operational Shop. We require you to bring to the Management Training Program a dedicated tablet that meets the hardware and software specifications necessary to use our electronic learning management system.

**Training Staff.** Heather Lane, the Vice President, Training and Ops Services, Specialty Brands for Focus Brands, supervises and manages our training programs and the training staff. Heather has over 30 years of experience in the restaurant industry and has been working with the System since September 2020. Our training staff has an average of approximately 20 years of experience. Other members of our staff and our affiliates' staffs may assist in training as needed. Training staff will vary based on the training format used.

**Subsequent Trainees.** Any Primary Contact or Managers (including any Directors of Operations) that you hire or appoint after the opening of the Shop and any other persons we designate (“**Subsequent Trainees**”) must attend and successfully complete our Management Training Program (or, as applicable, Primary Contact Training) before becoming involved in the operation of your Shop. We may require employees that transfer to your Shop from another Shop to successfully complete the Management Training Program again. We also may require you to send additional Managers or employees to the Management Training Program if we have identified operational or performance issues at your Shop. We reserve the right to charge you a reasonable training fee (currently, up to \$500 per trainee) for each Subsequent Trainee that attends a Management Training Program.

**On-Site Support.** For your first two Full Shops (including Full Shops owned by your affiliates), the Initial Franchise Fee includes the cost of us providing one or more representatives to provide on-site opening training and assistance at the Full Shop, for a minimum of two days concurrent with beginning operations to assist in the opening of the Shop (for a Concession Shop, we may but are not required to, send a representative for up to two days). If you operate an SRU under the SRU Program, we may, in our sole discretion, provide one day of installation and up to two days of on-site training and require you to pay a \$750 training fee for such services.

If you would like additional on-site training or assistance for your first two Shops (including Shops owned by your affiliates) or any on-site training or assistance for your (or your affiliates’) third and subsequent Shops, you may request such training or assistance at any time. We also may provide on-site training or assistance if we, in our sole discretion, deem it necessary. We are not obligated to provide any additional on-site training. Unless we specify otherwise, you must pay us the then-current daily On-Site Training and Assistance Fee (currently, \$500 per day per trainer,



plus travel and living expenses) for any such on-site training and assistance that we provide.

**Training By You.** Currently, we do not permit you to provide the Management Training Program to your Managers or other trainees. In the future, if you and your affiliates collectively operate two or more Shops, we may, in our sole discretion, require or permit you or your affiliates to provide the Management Training Program to your trainees. If we require or permit you or your affiliates to provide the Management Training Program to your trainees, before you or they may do so, one or more of your or their Shops must be certified by us as an authorized training facility (a “**Certified Training Shop**”) and one or more of your or their Managers must be certified by us as a trainer authorized to provide our Management Training Program to your trainees (a “**Certified Training Manager**”).

To be designated as a Certified Training Manager, a Manager must (i) complete our Management Training Program at least six months before applying for certification, (ii) maintain specific food safety programs, (iii) attend any required additional training program, and (iv) meet other qualifications that we may specify from time to time. To be designated as a Certified Training Shop, a Shop must (a) meet compliance scores that we specify, (b) fully comply with our then-current Standards, (c) employ at least one Manager, in addition to a Certified Training Manager, and (d) meet any other requirements that we may specify from time to time.

We may, in our sole discretion and at any time, (i) grant, withhold, or revoke certification for a Certified Training Shop or a Certified Training Manager or (ii) change the minimum requirements for certification of a Certified Training Shop or a Certified Training Manager. We may require Certified Management Trainers to be recertified if they transfer from one Shop to another, if they no longer meet our then-current requirements, or annually. If a Certified Training Manager ceases to be a Manager of a Certified Training Shop or has their certification revoked, such Shop must be re-certified as Certified Training Shop before offering training again.

If we certify a Certified Training Shop and Certified Training Manager, such Certified Training Manager must provide our Management Training Program at a Certified Training Shop in accordance with our Standards for such training. If we withhold or revoke certification of a Certified Training Shop, we may require your trainees to attend the Management Training Program at another location that we designate and require you to pay our then-current fee (if any) for such training.

**Additional Training and Conferences.** We may, from time to time, conduct conferences, conventions, programs, webinars, teleconferences, or training sessions on any matters related to the System. We will determine the duration, curriculum, and location of such additional programs, which may take the form of web-based training modules, webinars, seminars, in-person training at a location that we designate, or on-site training. Your Primary Contact, Manager(s), Owners, and supervisory personnel must attend any conferences, conventions, programs, or additional or refresher training sessions that we specify. In addition, as a condition of renewing your Franchise Agreement, we may require your personnel to undergo further training. We may charge a reasonable fee (which we expect typically to range from \$0 to \$2,500) for these additional programs to cover our costs of providing them.

**Training Expenses.** For all training programs, you must pay for all wages, travel, and living expenses, including transportation costs, meals, and lodging, for your trainees. We will not pay compensation for any incidental services your trainees perform during training. You also must purchase uniforms for your trainees to be worn during training.

**Cancellations.** If you fail to cancel any scheduled training without at least 14 days' prior notice, or if your trainees are not prepared to successfully participate in any scheduled training, we may charge you a cancellation fee and the cost of conducting the originally scheduled training (including any training fees and any travel and living expenses incurred by our representatives) and require you to pay an additional fee for the rescheduled training.

## ITEM 12. TERRITORY

### **Shop Location**

Your Shop may only be operated at the Accepted Location. If we have not yet accepted a site for the Full Shop when we execute the Franchise Agreement, you must select a location that we accept in accordance with our site selection criteria within a site selection area that we specify. We will determine the site selection area on a case-by-case basis. You will have no exclusive or protected rights in your site selection area.

If you operate a Concession Shop, you will be required to submit all locations from which you will operate the Concession Shop in advance for our written approval, which will each be considered to be an Accepted Location. In most cases, we will not approve the operation of a Concession Shop within two miles of a permanent Full Shop location.

### **No Protected Territory**

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

The Franchise Agreement licenses you to manufacture and sell Auntie Anne's products at retail only from the specific Shop location that we accepted. We do not grant you any exclusive territory or other territorial rights under these agreements other than the right to sell Auntie Anne's products at retail from the Shop.

### **Rights Outside of the Accepted Location**

Except for (i) operating an SRU or PBU in accordance with an SRU Addendum or PBU Addendum or (ii) catering and delivery services that we allow or require, you may only sell Approved Products at retail to customers who are physically present at your Accepted Location.

We require you to provide catering services and delivery services and you must do so in accordance with any restrictions and guidelines that we may establish in the Manuals or otherwise in writing. You may only provide delivery services through a TPS that we approve or designate. If a TPS is unavailable to provide delivery services for your Shop, you may not be required to offer delivery services, subject to our written approval. We, our affiliates, or our franchisees may provide delivery services and catering services anywhere, including near your Shop. We reserve the right to revise and/or make exceptions to our delivery services and catering services policies as they apply to you and our other franchisees.

### **SRU Program**

The opportunity to participate in our SRU Program which allows for the operation of a secondary selling point apart from the Shop is offered at our sole discretion. You must comply with the terms and conditions of the then-current SRU Addendum and, if you lease the SRU from us, SRU Lease Agreement. The SRU Addendum and SRU Lease Agreement, and your right to operate and lease

the SRU, can be terminated by us upon 48 hours' written notice. You may terminate the SRU Addendum and SRU Lease Agreement, and cease operating the SRU, by providing us with two weeks' written notice. However, if you terminate the SRU Addendum and SRU Lease Agreement within the first 12 months, you will be responsible for rental payments through the entire 12-month period. The placement of the SRU will in no way modify the location granted to you by your Franchise Agreement.

### **PBU Program**

We may, in our sole discretion, offer you the opportunity to operate a PBU as a secondary selling point within a one-mile radius of an existing Shop. If you operate a PBU, you must comply with the terms and conditions of the then-current PBU Addendum.

### **Our Reserved Rights under the Franchise Agreement**

Under the Franchise Agreement, we and our affiliates retain all the rights that we do not specifically grant to you. For example, without limitation, we retain the following rights, without providing any rights or compensation to you:

(i) We and/or our affiliates may establish or license franchises and/or company-owned businesses offering products or services that are similar or identical to the Approved Products using the System or elements of the System under the Proprietary Marks or any other marks anywhere, including at or near your Accepted Location.

(ii) We and/or our affiliates may produce and/or sell Approved Products or any other products or services, and authorize others to produce and/or sell Approved Products or any other products or services, using the Proprietary Marks, the System, and any other marks and/or systems we desire through any alternative channel of distribution located anywhere, including to and through (a) supermarkets, convenience stores, club stores, and other retail facilities not dedicated to the sale of the Approved Products, (b) mail order and e-commerce channels, and (c) kitchens devoted to the preparation of Products or Approved Products (often referred to as ghost, dark or cloud kitchens), which may use the Marks and may deliver to customers located anywhere.

(iii) We and/or our affiliates may advertise, or authorize others to advertise, using the Proprietary Marks anywhere.

(iv) We and/or our affiliates may acquire, be acquired by, or merge with another entity with existing businesses or franchises that are similar to or competitive with the Shop anywhere and (a) convert the other businesses to be Shops operating under the Proprietary Marks and the System, (b) permit the other businesses to continue to operate under another name anywhere, and/or (c) permit the businesses to operate under another name and convert your Shop and existing Shops to such other name.

We may open or franchise new Auntie Anne's® Shops near your Shop without consulting you, giving you the first right to open them, or paying you any compensation. Other affiliate-owned or franchised Auntie Anne's® Shops near your Shop that are already in existence or opened later under Franchise Agreements may also (i) compete directly with you, (ii) provide goods or services in close proximity to your Shop without compensating you, and (iii) possibly adversely affect the operation of your Shop or your development of Shops.

## **Other Businesses**

Except as described in Item 1, we do not operate or franchise, or currently plan to operate or franchise, any business under a different trademark that sells or will sell goods or services similar to those that our franchisees sell. However, our affiliates, including the Affiliated Programs described in Item 1 and other portfolio companies that currently are or in the future may be owned by private equity funds managed by Roark Capital Management, LLC, may operate and/or franchise businesses that sell similar goods or services to those that our franchisees sell.

Item 1 describes our current Affiliated Programs that offer franchises, their principal business addresses, the goods and services they sell, whether their businesses are franchised and/or company-owned, and their trademarks. All of these other brands (with limited exceptions) maintain offices and training facilities that are physically separate from the offices and training facilities of our franchise network. Most of the Affiliated Programs are not direct competitors of our franchise network given the products or services they sell, although some are, as described in Item 1. All of the businesses that our affiliates and their franchisees operate may solicit and accept orders from customers near your business. Because they are separate companies, we do not expect any conflicts between our franchisees and our affiliates' franchisees regarding territory, customers and support, and we have no obligation to resolve any perceived conflicts that might arise.

## **Developing Additional Shops**

If you sign multiple Franchise Agreements at the same time, you will also sign a Multi-Unit Addendum that outlines the site selection areas for each Shop to be developed under the Franchise Agreements and the development deadlines for such Shops. The site selection areas will be determined on a case-by-case basis. Your site selection areas will not be exclusive. After you and we accept a site for the Accepted Location for each Shop, you will sign an addendum to the Franchise Agreement that modifies the Accepted Location to reflect the site for such Shop.

Except as provided in any Multi-Unit Addendum, you will not have any options, rights of first refusal, or similar rights to acquire additional franchises or establish additional Shops, even within the building or facility in which your Shop is located.

## **Relocation of the Shop**



You may request to relocate your Shop if you lose the right to operate at the Accepted Location or provide other business justifications for the relocation. You may not relocate your Shop unless we approve the relocation in advance in writing. We have not established a set of conditions or criteria under which we evaluate or approve relocation requests, except that you must comply with our site approval process, must be in compliance with all terms of the Franchise Agreement, and must have the funds available to relocate the Shop and to construct a new Shop according to our then-current design standards. We are under no obligation to approve a proposed relocation of the Shop. If you lose the right to occupy the premises where you are operating your Shop, we may, in our sole discretion, terminate your Franchise Agreement.

If we approve your request to relocate, in our sole discretion, then (i) the Site Agreement for the new location must comply with the Franchise Agreement, (ii) you must de-identify the former site, (iii) we may charge you a Relocation Fee (see Item 6), (iv) we may require you to pay an agreed minimum royalty to us during the period in which the Shop is not in operation, and (v) we may require you to sign our then-current Franchise Agreement (which may have materially different

terms than your existing Franchise Agreement) or an amendment to your existing Franchise Agreement. If the term of the Lease for the new location extends beyond the term of your Franchise Agreement, we may, in our sole discretion, extend the term of your existing or new Franchise Agreement to match the term of the Lease for the new location, provided you will be required to pay the Relocation Extension Fee (see Item 6).

### ITEM 13. TRADEMARKS

The following is a description of the principal trademarks and service marks that we will license to you. All of the marks listed below are owned by us, have been registered on the Principal Register of the U.S. Patent and Trademark Office (“USPTO”), and have been renewed at the proper time.

| Trademark  | Registration Number | Date Registered   |
|--|---------------------|-------------------|
| AUNTIE ANNE'S  | 1,740,051           | December 15, 1992 |
|                         | 3,327,216           | October 30, 2007  |
| <br><b>AuntieAnne's</b> | 3,327,214           | October 30, 2007  |

Other Proprietary Marks have been, or may be, applied for or registered with the USPTO. The provisions of the Franchise Agreement apply to any and all other trademarks, service marks, and trade dress authorized and licensed for use by us to you during the term of your Franchise Agreement. We may specify the other Proprietary Marks that you may use, if any, in writing from time to time. You must comply with the proper use and marking of the Proprietary Marks as we indicate in the Manuals or otherwise. We update the Manuals periodically and add or delete Proprietary Marks on a continuing basis.

We are the owner of all right, title, and interest in and to the Proprietary Marks and the goodwill associated with them. All goodwill associated with the Proprietary Marks remains our exclusive property. All usage of the trademarks by you and any goodwill established will inure to our exclusive benefit.

There are no agreements currently in effect which significantly limit our rights to use or license the Proprietary Marks. There are no currently effective determinations of the USPTO, the Trademark Trial and Appeal Board, the trademark administrator of any state, or any court adversely affecting the ownership, use, or licensing of the Proprietary Marks. There is no pending infringement, interference, opposition, or cancellation proceeding, or material litigation, involving Proprietary Marks. There are presently no infringing uses known to us that could materially affect your use of the Proprietary Marks listed above in the state in which the Shop will be located.

Your rights to the Proprietary Marks are derived solely from your Franchise Agreement. You will only use the Proprietary Marks to identify the Shop except as we authorize. You have no right to apply for registration of any Proprietary Mark. In using the Proprietary Marks, you must strictly follow our Standards, specifications, requirements, and instructions. You may not use any Mark or any words or designations similar to the Proprietary Marks (i) as part of any corporate or legal

business name, (ii) with any prefix, suffix or other modifying words, terms, designs or symbols (other than logos we have licensed to you), (iii) in selling any unauthorized services or products, (iv) as part of any domain name, electronic address, metatag, search engine keyword, social media account, or otherwise in connection with any website or other electronic medium without our consent, or (v) in any other manner we have not expressly authorized in writing. When your Franchise Agreement expires or terminates, all rights to use the Proprietary Marks will revert to us automatically without payment to you and you will keep no rights in the Proprietary Marks. You may not take any action to question or contest our rights or interest in the Proprietary Marks and the goodwill in the Proprietary Marks.

If you learn of any claim against you for alleged infringement, unfair competition, or similar claims about the Proprietary Marks, you must promptly notify us. We will promptly take the action we consider necessary to defend you. We must indemnify you for any action against you by a third party based solely on alleged infringement, unfair competition, or similar claims about the Proprietary Marks. You may not settle or compromise any of these claims without our written consent. We have the right to control, defend, and settle any claim at our sole expense, using our own counsel. You must cooperate with us in the defense. We will have no obligation to defend or indemnify you if the claim against you relates to your use of the Proprietary Marks in violation of the Franchise Agreement.

You must comply with our instructions to modify or discontinue use of any Proprietary Mark or to adopt or use additional or substituted Proprietary Marks. We will not be liable to you for any resulting expenses.

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

### **Patents And Copyrights**

We have no patents and no pending patent applications material to the franchise. We claim copyrights on the Manuals (including any supplements); the Recipes; our building designs, architectural renderings, and construction plans; and certain forms, advertisements, images, art, photography, promotional materials, and other written materials that we produce.

You must comply with the proper use and marking of the copyrighted materials as we indicate in the Manuals.

There are no agreements currently in effect that significantly limit your right to use any of our copyrights. Also, there are no currently-effective determinations of the USPTO, Copyright Office (Library of Congress) or any court involving any of our copyrights discussed above. We are unaware of any infringing uses of or superior prior rights to any of our copyrights that could materially affect your use of them in the state in which your Shop will be located.

Your obligations and ours to protect your rights to use our copyrights are the same as the obligations for Proprietary Marks described in Item 13.

### **Proprietary and Confidential Information**

During the term of your Franchise Agreement, we or our affiliates will disclose to you, either orally or in writing, non-public information related to the System or information that, by its nature, would reasonably be expected to be held in confidence or kept secret (collectively, "**Confidential Information**"). Confidential Information includes, but is not limited to: (i) the Standards and

Manuals; (ii) pricing information and models; (iii) materials describing our franchise network and System; (iv) plans, layouts, designs and specifications for a prototypical Shop; (v) our methods of preparing and serving Approved Products, including Recipes; (vi) our sources (or prospective sources) of supply and all information related to or concerning the same, including the identity and pricing structures with our Approved Suppliers; (vii) our training materials; (viii) our marketing plans and development strategies; (ix) the Franchise Agreement and any related schedules, exhibits, attachments or addenda and all terms contained therein; and (x) other information we give to you.

In addition, we or our affiliates may disclose to you Trade Secrets. “**Trade Secrets**” means information that derives independent economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by, other persons who can obtain economic value from its disclosure or use. Without limiting the definition of “Trade Secrets,” the following are considered to be Trade Secrets: (i) the composition of our Proprietary Goods; (ii) our Recipes; (iii) advertising, marketing, and public relations strategies; and (iv) our marketing analyses.

You may never, during the term of the Franchise Agreement, any renewal term of the Franchise Agreement, or after the Franchise Agreement expires or is terminated, reveal any of our Confidential Information or Trade Secrets to another person or use it for any other person or business. You may not copy any of our Confidential Information or Trade Secrets or give it to a third party except as we authorize. These restrictions must be followed even before you open your Shop, since you will receive valuable information and training about the System and the operation of the Shop before you begin operations.

You will require that all persons employed in your Shop having access to Confidential Information and Trade Secrets are aware of the confidentiality restrictions set forth in the Franchise Agreement and similarly bind them not to disclose the Confidential Information and Trade Secrets by an agreement as least as restrictive as the terms of the Franchise Agreement.

### **Innovations**

All ideas, concepts, techniques, or materials relating to a Shop or the System or derivations or modifications of our intellectual property or any other element of the System (collectively, “**Innovations**”), whether or not protectable intellectual property and whether created by or for you or your Owners, employees, or contractors, must be promptly disclosed to us and will be deemed to be our sole and exclusive property, part of the System, and works made-for-hire for us. To the extent any Innovation does not qualify as a work made-for-hire for us, you must assign ownership of that Innovation, and all related rights to that Innovation, to us and agree to sign (and to cause your Owners, employees, and contractors to sign) whatever assignment or other documents we request to evidence our ownership or to help us obtain intellectual property rights in the Innovation. We and our affiliates have no obligation to make any payments to you or any other person with respect to any Innovations. You may not use any Innovation in operating the Shop or otherwise without our prior approval.

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

You are required to devote your best efforts to the proper and effective operation of the Shop. You (if you are an individual) and your Owners (if you are an Entity) are not required to participate in the actual operation of the Shop but may serve as the Primary Contact and/or a Manager.

However, we do not recommend an investment in a Shop for investors interested in an absentee management business.

You must appoint a Primary Contact who will be responsible for, and have decision-making authority regarding, the Shop and its operation. You may not appoint, remove, or replace the Primary Contact without our prior written approval. Your Primary Contact may be (but is not required to be) an Owner. Your Primary Contact must successfully complete Primary Contact Training to our satisfaction. If they complete the Management Training Program, your Primary Contact may also serve as a Manager.

You must have at least one Manager that is dedicated to your Shop. Your Managers must have day-to-day management responsibility for your Shop, exercise on-premises supervision, and personally participate in the direct operation of the Shop. Your Managers may be (but are not required to be) an Owner. Your Managers must complete the Management Training Program to our satisfaction. You must inform us in writing of the identity of your Managers and any successor Managers.

If you operate four or more Shops, we may require you to hire one or more additional Managers to serve as a Director of Operations to provide additional support and supervision to multiple Shops. Your Directors of Operations must meet any minimum standards for such position and must complete the Management Training Program and any other training programs that we specify to our satisfaction.

After a Primary Contact's, Manager's, or Director of Operation's death, disability, or termination of employment, you must immediately notify us, and you must designate a successor or acting Primary Contact, Manager or Director of Operations within 30 days. If you fail to do so after receiving from us a default notice with a cure period, we can terminate the Franchise Agreement.

All persons affiliated with you must sign our Personal Covenants Agreement (Schedule B to the Franchise Agreement) and keep our Confidential Information and Trade Secrets confidential (see Item 14). You, your Owners, and your officers and directors also must bind themselves to our restrictive covenants.

All of your Owners must sign our Guaranty of Payment and Performance (Schedule C to the Franchise Agreement).

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

You may offer in the Shop to customers only the Approved Products that we have approved in writing. You must produce and sell all Approved Products we specify, including all menu items, Trademarked Product Lines, and other products and services that we require you to sell, as stated in the Manuals or otherwise, which are all part of the System. We may change these specifications periodically, without limitation, and we may designate specific Approved Products as optional or mandatory. You must offer all Approved Products that we designate as mandatory. If we require or authorize you to sell alcoholic beverages, you must obtain any necessary permits or licenses. You must maintain a sufficient supply of required Approved Products to meet the inventory standards we prescribe in the Manuals (or to meet reasonably anticipated customer demand, if we have not prescribed specific standards).

You may not use the Shop or the Accepted Location to produce or sell any goods, products, or services other than Approved Products sold using the Marks. You may not produce or offer any



products (i) that we do not authorize you to produce or sell or (ii) that we direct you not to produce or sell. You may sell Approved Products only in the varieties, forms, and packages that we have approved. If we require you to produce any Approved Products, you must strictly follow our Recipes, using only those product components, ingredients, flavoring, and garnishes that meet our then-current Standards. In dispensing the Approved Products, you may use only containers, cartons, bags, boxes, napkins, and other paper goods and packaging bearing our then-currently approved text and designs, and that otherwise meet our then-current requirements, specifications, and quality standards.

You may not use the Proprietary Marks for any other business. You may not conduct any business other than the business contemplated by the Franchise Agreement from your Accepted Location without first obtaining our written consent. In particular, you may not operate a ghost kitchen or delivery business selling goods, products, or services under another brand.

You may only engage in the sale of Approved Products under the System from the Shop to the ultimate consumer. We require you to provide catering services and delivery services and you must do so in accordance with any restrictions and guidelines that we may establish in the Manuals or otherwise in writing. You may only provide delivery services through a TPS that we approve or designate. If a TPS is unavailable to provide delivery services for your Shop, you may not be required to offer delivery services, subject to our written approval. Except for catering and delivery services that we may allow or require, you may not offer for sale, sell, supply for resale, or deliver any Goods to a third party other than the ultimate consumer at the Shop without our prior written consent. Unless otherwise permitted by us in writing, you may not sell any Goods through the Internet or using any other channel of distribution other than your Shop.

You must participate in the Gift Card and Loyalty Programs that we establish, and you must have available for sale to customers a sufficient number of gift cards to meet the demands of your Shop. The Gift Card and Loyalty Programs may change in process, style, and design periodically; the most current authorized version must be available in the Shop. You must accept for payment gift card(s) presented as payment for purchases made from the Shop.

Periodically, we will conduct market research and testing to determine consumer trends and the salability of new food or non-food products, equipment, and services. You must participate in any market research programs or testing in your Shop and provide us with timely reports and any other relevant information we request. You must purchase for your Shop a reasonable quantity of the test products, and you must effectively promote and make a reasonable effort to sell test products.

## **ITEM 17. RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTIONS**

### **THE FRANCHISE RELATIONSHIP**

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

#### **Franchise Agreement**

In this table, “**FA**” refers to the applicable section of the Franchise Agreement, “**CSS**” refers to the applicable section of Concession Shop Schedule, and “**CBS**” refers to the applicable section of the Co-Branded Shop Schedule.

| Provision                                  | Section in Franchise Agreement | Summary   |
|--|--------------------------------|---|
| a. Length of the franchise term            | FA: 2.1<br>CSS: 21.B.          | 20 years. If you operate a Concession Shop, the term will be 10 years.  |
| b. Renewal or extension of the term        | FA: 2.2<br>CSS: 21.C.          | One 20-year renewal term if you comply with our renewal requirements.<br><br>If you operate a Concession Shop, there is no option for a renewal term.   |
| c. Requirements for you to renew or extend | FA: 2.2<br>CBS: 23.C.          | <p>You must satisfy these requirements to enter into a renewal term:</p> <ul style="list-style-type: none"> <li>a. Timely request a renewal term</li> <li>b. Complete renewal application.</li> <li>c. Have been in substantial compliance with Franchise Agreement.</li> <li>d. Remodel, refurbish and renovate the Shop.</li> <li>e. Secure right to operate at Accepted Location or relocate the Shop if necessary to meet our then-current Standards</li> <li>f. Sign and return your Renewal Franchise Agreement (which may be materially different from the terms contained in the Franchise Agreement attached to this Disclosure Document).</li> <li>g. Pay the Renewal Fee</li> <li>h. You and your guarantors and Owners must sign a general release.</li> <li>i. If you operate a Co-Branded Shop, you must secure the right from the Co-Branded Franchisor to continue to operate the Co-Branded Franchise.</li> </ul> <p>If you do not meet these conditions by, and you continue to operate after, its expiration date, the Franchise Agreement will be extended on a month-to-month basis until such time as (i) the conditions above are satisfied, or (ii) we notify you that the Franchise Agreement is terminated.</p> |
| d. Termination by you                      | FA: 17.1                       | Not applicable  |
| e. Termination by us without cause         | Not applicable                 | Not applicable  |
| f. Termination by us with cause            | FA: 17                         | We may terminate only if you default.   |
| g. "Cause" defined – curable defaults      | FA: 17.3                       | <p>You have 24 hours to cure if:</p> <ul style="list-style-type: none"> <li>a. You refuse us permission to inspect or audit.</li> <li>b. Any dilution or adulteration of products at the Shop, or any misrepresentation, substitution, or palming off of non-Approved Products from the Shop operated under the Franchise Agreement.</li> <li>c. You fail to comply fully with all laws.</li> </ul> <p>You have 5 days to cure if:</p> <ul style="list-style-type: none"> <li>a. You sell, barter, or exchange any Proprietary Goods or Approved Products or other proprietary items at wholesale or retail.</li> </ul> <p>You have 10 days to cure if:</p> <ul style="list-style-type: none"> <li>a. You fail to pay any of your debts to us, our affiliates, or others</li> <li>b. You do not obtain personal covenants required under the Franchise Agreement.</li> <li>c. You default under your mortgage or lease.</li> <li>d. You fail to obtain insurance or provide proof of insurance.</li> <li>e. You fail to provide required reports.</li> </ul> <p>You have 30 days to cure if:</p> <ul style="list-style-type: none"> <li>a. You do not maintain the required financial records.</li> </ul>                                 |

| Provision  | Section in Franchise Agreement | Summary   |
|--|--------------------------------|---|
|  |                                | <p>b. You fail to meet the Site Approval Deadline or Construction Start Deadline.</p> <p>c. You breach any other provision of your Franchise Agreement.</p>   |
| <p>h. "Cause" defined – noncurable defaults</p>      | <p>FA: 17.2<br/>CBS: 23.K</p>  | <p>On notice to you:</p> <p>a. You violate restrictions on use of Confidential Information or fail to obtain the required additional covenants.</p> <p>b. You copy or permit anyone else to copy any part of the Manuals.</p> <p>c. You (or any principal of your Entity) are convicted of a felony, fraud, etc.; engage in conduct harmful to the Shop, System, or Proprietary Marks; or commit a fraud.</p> <p>d. You abandon the Shop or suspend operation of the Shop for five or more days without our consent.</p> <p>e. Your (or your affiliate's) interest in the lease or sublease for the Accepted Location expires or terminates or you otherwise lose possession of the site.</p> <p>f. After curing a default, you commit the same or similar default again within 12 months.</p> <p>g. You become insolvent, become subject to bankruptcy, make an assignment for creditors, subject to a receiver, have unpaid judgments, subject to attachment proceedings or execution of levy, or un-dismissed foreclosure.</p> <p>h. You or your Owners violate, or have any assets blocked under, any laws related to terrorism.</p> <p>i. You fail to meet the Opening Deadline (or any extended deadline).</p> <p>j. You have an uncured default in any other agreement with us or affiliates which would permit termination under such agreement.</p> <p>k. A threat or danger to public health or safety results from your continued operation of the Shop.</p> <p>l. You misuse or make any unauthorized use of the Proprietary Marks.</p> <p>m. If you operate a Co-Branded Shop, your Co-Branded Agreement expires or is terminated or you lose the right to operate the Co-Branded Franchise.</p> |
| <p>i. Your obligations on termination/nonrenewal</p> | <p>FA: 18</p>                  | <p>a. Stop using the System, including our Proprietary Marks, Confidential Information, Trade Secrets, and Manuals, and de-identify the Shop.</p> <p>b. Immediately deliver to us or destroy all materials related to the System and your copies of any of the Manuals.</p> <p>c. Within 5 days, pay all sums owing to us and our affiliates.</p> <p>d. Immediately de-identify the Shop as our franchisee or former franchisee.</p> <p>e. Immediately comply with non-competition covenants in the Franchise Agreement.</p> <p>f. Cancel or transfer to us all identifiers, such as assumed names, domain names, telephone numbers, post office boxes, and other directory listings.</p> <p>g. Immediately sign agreements necessary for termination.</p> <p>h. Pay all liquidated damages due us.</p> <p>i. At our option, assign the lease to us or, if you own the Accepted Location, lease it to us.</p> <p>j. If we acquire rights in your Accepted Location, within 15 days, arrange with us for an inventory of Goods to be made by us, at our cost. We will have the option for 30 days after termination or expiration to buy these at the fair market value (exclusive of goodwill).</p>   |

| Provision                                  | Section in Franchise Agreement   | Summary   |
|--|--|---|
| j. Assignment of contract by Us            | FA: 16.10  | We can assign if the assignee is capable of performing our obligations under the Franchise Agreement and agrees to perform these obligations.   |
| k. "Transfer" by you — defined             | FA: 16.1   | Includes transfer of the Franchise Agreement, any interest in the Franchise Agreement, the license to use the System and the Proprietary Marks, the Shop or substantially all of the assets of the Shop, or an interest in the ownership of the franchisee (if you are an Entity).  |
| l. Our approval of your transfer           | FA: 16.2   | Neither you nor other Owners of the interests described in k. above can transfer without first obtaining our written approval.  |
| m. Conditions for our approval of transfer | FA: 16.3<br>(transfers which result in change in control or involve 20% interest in your entity)<br><br>CBS: 23.J. | In addition to any other conditions we may specify:<br>a. You must give us at least 90 days' prior written notice of any proposed Transfer.<br>b. You must pay all amounts you owe us and our affiliates.<br>c. You are not, and have not been during the term of the Franchise Agreement, in default under the Franchise Agreement or any other agreement with us, or any of our Approved Suppliers without curing such default within the time period specified.<br>d. Transferee and proposed Manager must attend and successfully complete training before transfer, at transferee's expense.<br>e. Transferee must meet our then-current requirements for new franchisees, including our requirements for proficiency in the English language.<br>f. Transferee agrees to upgrade and remodel Shop to conform to our then-current Standards for quality and appearance and trade dress.<br>g. Transferee must sign our then-current Franchise Agreement, which may contain terms materially different than your Franchise Agreement and will expire on the date of expiration of your Franchise Agreement.<br>h. Transferee enters into a written assignment and personal guarantee.<br>i. You and your guarantors and Owners sign a general release.<br>j. You must give us a copy of the signed assignment contract.<br>k. You pay us a Transfer Fee.<br>l. You and your Owners remain liable for pre-Transfer obligation<br>m. Landlord must consent to transfer.<br>n. We determine price will not impact operation.<br>o. You must comply with our right of first refusal.<br>p. If you operate a Co-Branded Shop, the Co-Branded Agreement or Co-Branded Franchise are transferred at the same time. |
|  | FA: 16.4<br>(non-control transfers)  | a. You give us prior written notice of the transfer.<br>b. You pay all sums owed.<br>c. You are not in default<br>d. Transferee meets qualifications<br>e. Transferee signs assignment and guaranty<br>f. You and your guarantors and owners sign a general release.<br>g. You remain liable for pre-Transfer obligations.<br>h. You pay us a Transfer Fee.   |

| Provision   | Section in Franchise Agreement     | Summary   |
|---|------------------------------------|---|
|   | FA: 16.5 (related party transfers) | a. You give us prior written notice of the transfer.<br>b. You are not in default<br>c. Transferee meets qualifications<br>d. Transferee assumes in writing the Franchise Agreement and the guaranty.<br>e. You may not be in default under the Franchise Agreement.<br>f. You pay us a Transfer Fee.<br>g. You and your guarantors and owners must sign a general release and remain liable for pre-Transfer obligations |
| n. Our right of first refusal to acquire your business                    | FA: 16.8                           | We can match any offer for your Shop or substantially all interests in your entity.   |
| o. Our option to purchase your business                                   | FA: 18.4                           | We may purchase your Goods related to the Shop at the fair market value (exclusive of good will) and may purchase your Accepted Location if you own it or your interest in any lease.   |
| p. Your death or disability   | FA: 16.6                           | Upon 180 days from your death or permanent incapacity you must transfer all rights and interests to buyer that complies with Transfer provisions, except no Transfer Fee will be due.   |
| q. Non-competition covenants during the term of the franchise             | FA: 15.4                           | No involvement in a competitive business (generally, similar types of businesses that offer products the same or similar to the Approved Products) anywhere. You may not divert or attempt to divert any business or potential business, misuse vendor relationships, or perform, directly or indirectly, any other act injurious or prejudicial to the goodwill associated with the Proprietary Marks and the System.    |
| r. Non-competition covenants after the franchise is terminated or expires | FA: 15.4.B.                        | For 12 months after expiration or termination, no involvement in a competitive business at the Accepted Location, within 3 miles of your Accepted Location, or within 3 miles of any Shop; and no diverting or attempting to divert any business from any Shop.   |
| s. Modification of the agreement  | FA: 8.3, 22.2 and 22.3             | No oral modifications, but we can change the Manuals.   |
| t. Integration/merger clause  | FA: 22.2                           | Only the terms of the Franchise Agreement and related agreements are binding (subject to state law). Any representations or promises outside of the Disclosure Document and Franchise Agreement may not be enforceable.   |
| u. Dispute resolution by arbitration or mediation                         | FA: 19.1                           | Most disputes must be resolved by arbitration.  |
| v. Choice of forum  | FA: 19.1                           | Subject to state law, currently, arbitration or lawsuit must be in the metropolitan area of district court where our principal place of business is located (currently, Georgia).   |
| w. Choice of law  | FA: 15.6 and 22.5                  | Subject to state law, Georgia law applies to all disputes except those related to the non-competition covenants, which will be governed by the laws of the state in which your Shop is located.   |

**Satellite Retail Unit Addendum and Pretzel Bike Unit Addendum**

In this table, “**SRUA**” refers to the applicable section of the SRU Addendum and “**PBUA**” refers to the applicable section of the PBU Addendum.

| <b>Provision</b>  | <b>Section in the SRU Addendum and PBU Addendum</b> | <b>Summary</b>  |
|---|---|---|
| a. Length of the SRU Addendum term  | Not applicable                                      | Length of term is dependent on Franchise Agreement term.  |
| b. Renewal or extension of the term                                       | Not applicable                                      |   |
| c. Requirements for franchisee to renew or extend                         | Not applicable                                      |   |
| d. Termination by franchisee  | SRUA: 15<br>PBUA: 11                                | You must give us 14 days' advance written notice.   |
| e. Termination by us without cause  | SRUA: 15<br>PBUA: 11                                | We may terminate the applicable addendum with 48 hours' prior written notice to you for any reason. |
| f. Termination by us with cause   | SRUA: 14<br>PBUA: 9 and 10                          | We may terminate the applicable addendum for any breach of the addendum or the Franchise Agreement. |
| g. "Cause" defined- curable defaults                                      | SRUA: 13 and 14<br>PBUA: 9 and 10                   | Any violation of the provisions of the Franchise Agreement constitutes a breach of the addenda.     |
| h. "Cause" defined –non-curable defaults                                  | SRUA: 14<br>PBUA: 10                                | Any violation of the provisions of the Franchise Agreement constitutes a breach of the addenda.     |
| i. Franchisee's obligations on termination/non-renewal                    | Not applicable                                      |   |
| j. Assignment of contract by us   | Not applicable                                      |   |
| k. "Transfer" by franchisee-defined                                       | Not applicable                                      |   |
| a.Our approval of transfer by franchisee                                  | Not applicable                                      |   |
| m. Conditions for our approval of transfer                                | Not applicable                                      |   |
| n. Our right of first refusal to acquire franchisee's business            | Not applicable                                      |   |
| o. Our option to purchase franchisee's business                           | Not applicable                                      |   |
| p. Death or disability of franchisee                                      | Not applicable                                      |   |
| q. Non-competition covenants during the term of the franchise             | Not applicable                                      |   |
| r. Non-competition covenants after the franchise is terminated or expires | Not applicable                                      |   |
| s. Modification of the agreement  | Not applicable                                      |   |
| t. Integration/merger clause  | Not applicable                                      |   |
| u. Dispute resolution by arbitration or mediation                         | Not applicable                                      |   |
| v. Choice of forum  | Not applicable                                      |   |
| w. Choice of law  | Not applicable                                      |   |

## Satellite Retail Unit Lease Agreement

| Provision   | Section in the SRU Lease Agreement | Summary   |
|---|------------------------------------|---|
| a. Length of the SRU Lease Agreement term                                 | 3                                  | Terminates when lease with landlord terminates or Franchise Agreement terminates  |
| b. Renewal or extension of the term                                       | Not applicable                     |   |
| c. Requirements for franchisee to renew or extend                         | Not applicable                     |   |
| d. Termination by franchisee  | 14                                 | You must give two weeks advance written notice. In the event you terminate the SRU Lease Agreement prior to the passage of 12 months, you will be responsible for rental payments for the entire 12 month period. |
| e. Termination by us without cause  | 14                                 | We may terminate the SRU Lease Agreement with 48 hours' written notice.   |
| f. Termination by us with cause   | 14                                 | Any violation of the provisions of the Franchise Agreement constitutes a breach of the SRU Lease Agreement.   |
| g. "Cause" defined- curable defaults                                      | 14                                 | Any violation of the provisions of the Franchise Agreement constitutes a breach of the SRU Lease Agreement.   |
| h. "Cause" defined –non-curable defaults                                  | 14                                 | Any violation of the provisions of the Franchise Agreement constitutes a breach of the SRU Lease Agreement.   |
| i. Franchisee's obligations on termination/non-renewal                    | 14                                 | Return the SRU to us at your expense  |
| j. Assignment of contract by us   | Not applicable                     |   |
| k. "Transfer" by franchisee-defined                                       | 17                                 | Any sale, transfer, assignment, etc. of all or part of a franchisee's ownership interest.   |
| l. Our approval of transfer by franchisee                                 | 17                                 | Any transfer must be approved by us   |
| m. Conditions for our approval of transfer                                | Not applicable                     |   |
| n. Our right of first refusal to acquire franchisee's business            | Not applicable                     |   |
| o. Our option to purchase franchisee's business                           | Not applicable                     |   |
| p. Death or disability of franchisee                                      | Not applicable                     |   |
| q. Non-competition covenants during the term of the franchise             | Not applicable                     |   |
| r. Non-competition covenants after the franchise is terminated or expires | Not applicable                     |   |
| s. Modification of the agreement  | Not applicable                     |   |
| t. Integration/merger clause  | Not applicable                     |   |
| u. Dispute resolution by arbitration or mediation                         | 19                                 | Most disputes must be resolved by arbitration   |

| Provision          | Section in the SRU Lease Agreement | Summary  |
|--------------------|------------------------------------|--|
| v. Choice of forum | 19                                 | Suits must be filed in Fulton County, Georgia, the Northern District of Georgia, or any other court where our principal place of business is located |
| w. Choice of law   | 20                                 | Georgia law governs the agreement  |

## ITEM 18. PUBLIC FIGURES

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

## ITEM 19. FINANCIAL PERFORMANCE REPRESENTATIONS

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

This Item 19 presents information about the financial performance during Fiscal Year 2021 (the fiscal year ended December 26, 2021) of certain Enclosed Mall Franchises, Outlet Center Franchises, Airport Franchises, and Cinnabon Co-Branded Franchises that were eligible franchises in Fiscal Year 2021. An “**Enclosed Mall Franchise**” is a franchised Full Shop that is located in an enclosed mall. An “**Outlet Center Franchise**” is a franchised Full Shop that is located in an outlet center. An “**Airport Franchise**” is a franchised Full Shop that is located in an airport. A “**Cinnabon Co-Branded Franchise**” is a franchised Cinnabon Co-Branded Shop. An “**eligible franchise**” is a franchise that reported sales in all 52 weeks of Fiscal Year 2021 and was owned by the same owner throughout Fiscal Year 2021.

This Item 19 does not include data related to (i) franchised Full Shops (other than the Cinnabon Co-Branded Franchises represented in Table 4) that are located anywhere other than in an enclosed mall, outlet center, or airport (such as amusement parks, big box stores, casinos, entertainment venues, farmer’s markets, military bases, lifestyle centers, power centers, strip malls, co-branded Subways®, street locations, train stations, transportation centers, travel plazas, truck stops, universities, and Walmarts®); (ii) Concession Shops; (iii) Co-Branded Shops (other than the Cinnabon Co-Branded Franchises represented in Table 4); (iv) affiliate-owned Shops; and (v) Full Shops that were not eligible franchises in Fiscal Year 2021. The financial performance and operations of these excluded Shops can vary significantly from the performance and operations of the Shops represented in this Item 19.



**TABLE 1: AVERAGE NET SALES BY QUARTILES  
ENCLOSED MALL FRANCHISES  
FOR FISCAL YEAR 2021**

| Quartiles                | Average Net Sales | Number and Percentage of Shops Attaining or Exceeding Average Net Sales | Median Net Sales | Lowest Net Sales | Highest Net Sales  |
|--------------------------|-------------------|---|------------------|------------------|--------------------|
| Top Quartile             | \$981,739         | 43/114 (38%)  | \$925,679        | \$798,548        | \$2,383,796        |
| 2 <sup>nd</sup> Quartile | \$685,318         | 50/114 (44%)  | \$679,856        | \$597,395        | \$795,101          |
| 3 <sup>rd</sup> Quartile | \$527,870         | 58/113 (51%)  | \$529,605        | \$459,341        | \$595,429          |
| Bottom Quartile          | \$351,924         | 63/114 (55%)  | \$359,762        | \$116,626        | \$456,758          |
| Total                    | <b>\$636,952</b>  | <b>202/455 (44%)</b>  | <b>\$597,395</b> | <b>\$116,626</b> | <b>\$2,383,796</b> |

**NOTES TO TABLE 1:**

- As of December 26, 2021, there were 545 Enclosed Mall Franchises. Of those 545 locations, 455 (83.5%) Enclosed Mall Franchises are represented in this table. This table does not include (i) eight Enclosed Mall Franchises that are Co-Branded Franchises (other than any Cinnabon Co-Branded Franchises represented in Table 4), (ii) 46 Enclosed Mall Franchises that did not report sales in all 52 weeks of Fiscal Year 2021, (iii) 27 Enclosed Mall Franchises that transferred ownership during Fiscal Year 2021, and (iv) nine Enclosed Mall Franchises that opened during Fiscal Year 2021. This table also does not include 25 Enclosed Mall Franchises that permanently closed during Fiscal Year 2021, all of which had been open for at least 12 months prior to closing. No Enclosed Mall Franchises were reacquired by us in Fiscal Year 2021.

**TABLE 2: AVERAGE NET SALES BY QUARTILES  
OUTLET CENTER FRANCHISES  
FOR FISCAL YEAR 2021**

| Quartiles                | Average Net Sales | Number and Percentage of Shops Attaining or Exceeding Average Net Sales | Median Net Sales | Lowest Net Sales | Highest Net Sales  |
|--------------------------|-------------------|---|------------------|------------------|--------------------|
| Top Quartile             | \$1,120,251       | 8/23 (35%)  | \$997,606        | \$830,764        | \$1,865,401        |
| 2 <sup>nd</sup> Quartile | \$761,102         | 9/22 (41%)  | \$759,985        | \$705,930        | \$829,792          |
| 3 <sup>rd</sup> Quartile | \$616,829         | 9/22 (41%)  | \$599,007        | \$540,959        | \$697,318          |
| Bottom Quartile          | \$438,577         | 15/23 (65%)   | \$471,592        | \$237,036        | \$540,620          |
| Total                    | <b>\$735,195</b>  | <b>37/90 (41%)</b>  | <b>\$701,624</b> | <b>\$237,036</b> | <b>\$1,865,401</b> |

**NOTES TO TABLE 2:**

- As of December 26, 2021, there were 103 Outlet Center Franchises. Of those 103 locations, 90 (87.4%) Outlet Center Franchises are represented in this table. This

table does not include (i) four Outlet Center Franchises that are Co-Branded Franchises, (ii) six Outlet Center Franchises that did not report sales in all 52 weeks of Fiscal Year 2021, and (iii) three Outlet Center Franchises that transferred ownership during Fiscal Year 2021. This table also does not include two Outlet Center Franchises that permanently closed during Fiscal Year 2021, all of which had been open for at least 12 months prior to closing. No Outlet Center Franchises were reacquired by us in Fiscal Year 2021.

**TABLE 3: AVERAGE NET SALES BY QUARTILES  
AIRPORT FRANCHISES  
FOR FISCAL YEAR 2021**

| Quartiles                | Average Net Sales  | Number and Percentage of Shops Attaining or Exceeding Average Net Sales | Median Net Sales   | Lowest Net Sales | Highest Net Sales  |
|--------------------------|--------------------|---|--------------------|------------------|--------------------|
| Top Quartile             | \$2,126,224        | 1/6 (17%)   | \$1,828,485        | \$1,698,706      | \$3,670,748        |
| 2 <sup>nd</sup> Quartile | \$1,292,271        | 3/6 (50%)   | \$1,279,058        | \$1,142,744      | \$1,524,972        |
| 3 <sup>rd</sup> Quartile | \$929,827          | 2/5 (40%)   | \$926,933          | \$894,150        | \$953,878          |
| Bottom Quartile          | \$413,834          | 2/6 (33%)   | \$358,384          | \$195,314        | \$848,612          |
| Total                    | <b>\$1,201,874</b> | <b>11/23 (48%)</b>  | <b>\$1,142,744</b> | <b>\$195,314</b> | <b>\$3,670,748</b> |

**NOTES TO TABLE 3:**

- As of December 26, 2021, there were 41 Airport Franchises. Of those 41 locations, 23 (56.1%) Airport Franchises are represented in this table. This table does not include (i) one Airport Franchise that is a Co-Branded Franchise (other than any Cinnabon Co-Branded Franchises represented in Table 4) and (ii) 17 Airport Franchises that did not report sales in all 52 weeks of Fiscal Year 2021. This table also does not include one Airport Franchise that permanently closed during Fiscal Year 2021, which had been open for at least 12 months prior to closing. No Airport Franchises were reacquired by us in Fiscal Year 2021.

**TABLE 4: AVERAGE NET SALES BY QUARTILES  
CINNABON CO-BRANDED FRANCHISES  
FOR FISCAL YEAR 2021**

| Quartiles                | Average Net Sales | Number and Percentage of Shops Attaining or Exceeding Average Net Sales | Median Net Sales | Lowest Net Sales | Highest Net Sales  |
|--------------------------|-------------------|---|------------------|------------------|--------------------|
| Top Quartile             | \$1,276,555       | 6/12 (50%)  | \$1,255,873      | \$1,054,023      | \$1,553,318        |
| 2 <sup>nd</sup> Quartile | \$1,009,187       | 5/11 (45%)  | \$1,008,092      | \$917,337        | \$1,051,363        |
| 3 <sup>rd</sup> Quartile | \$768,443         | 5/11 (45%)  | \$760,341        | \$645,477        | \$889,344          |
| Bottom Quartile          | \$463,869         | 5/12 (42%)  | \$449,260        | \$165,251        | \$644,631          |
| Total                    | <b>\$879,109</b>  | <b>25/46 (54%)</b>  | <b>\$903,340</b> | <b>\$165,251</b> | <b>\$1,553,318</b> |

#### NOTES TO TABLE 4:

1. As of December 26, 2021, there were 61 Cinnabon Co-Branded Franchises. Of those 61 locations, 46 (75.4%) Cinnabon Co-Branded Franchises are represented in this table. This table does not include (i) five Cinnabon Co-Branded Franchises that did not report sales in all 52 weeks of Fiscal Year 2021, (ii) seven Cinnabon Co-Branded Franchises that transferred ownership during Fiscal Year 2021, and (iii) three Cinnabon Co-Branded Franchises that opened during Fiscal Year 2021 (including two that converted from a Full Shop to a Co-Branded Shop). This table also does not include one Cinnabon Co-Branded Franchise that converted from a Co-Branded Shop to a Full Shop during Fiscal Year 2021. No Cinnabon Co-Branded Franchises were permanently closed (other than the one conversion) or reacquired by us during Fiscal Year 2021.
2. Net Sales for Cinnabon Co-Branded Franchises includes revenue generated from the sale of both Auntie Anne's® and Cinnabon® products.

#### NOTES TO ITEM 19:

1. **Some Shops have sold or earned this amount. Your individual results may differ. There is no assurance that you will sell or earn as much.**
2. "Net Sales" includes all revenues generated by a Shop or conducted from or with respect to a Shop, whether the sales are evidenced by cash, check, credit, charge, account, barter or exchange, but does not include (a) the initial sales or reloading of gift cards, (b) discounts, (c) the sale of food or merchandise for which refunds have been made in good faith to customers, (d) the discounted portion of employee meals, (e) sales, meals, use or excise tax imposed by a governmental authority directly on sales and collected from customers, provided that the amount for the tax is added to the selling price or absorbed therein and is actually paid by you to a governmental authority, (f) the sale of equipment used in the operation of the Shop, or (g) tips. See Note 2 of Item 6 for a complete definition of "Net Sales." In this Item 19, we have not included sales for SRUs that are related to any of the Shops.
3. These sales figures do not reflect the costs of sales, operating expenses or other costs or expenses that must be deducted from the Net Sales figures to obtain your net income or profit.
4. We calculated the figures in the tables in these financial performance representations using financial reports submitted by franchisees. We have not audited or independently verified these financial reports nor have we asked questions of the submitting franchisees to determine whether they are in fact accurate and complete, although we have no information or other reason to believe that they are unreliable. No certified public accountant has audited these figures or expressed his or her opinion concerning their content or form.
5. Written substantiation for the financial performance representations will be made available to you on reasonable request.

6. We encourage you to consult with your own accounting, business, and legal advisors to assist you to prepare your budgets and projections, and to assess the likely or potential financial performance of your franchise. We also encourage you to contact existing franchisees to discuss their experiences with the system and their franchise business. Notwithstanding the information set forth in this financial performance representation, our existing franchisees are your best source of information about franchise operations.

Other than in this Item 19, we do not make any additional 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 additional representations either orally or in writing. If you receive any additional financial performance information or projections of your future income, you should report it to the franchisor's management by contacting the Legal Department, Auntie Anne's Franchisor SPV LLC, 5620 Glenridge Drive NE, Atlanta, GA 30342, 404-255-3250, the Federal Trade Commission, and the appropriate state regulatory agencies.

## ITEM 20. OUTLETS AND FRANCHISE INFORMATION

**Table No. 1**  
**Systemwide Outlet Summary**  
**For Years 2019 to 2021**

| Outlet Type          | Year        | Outlets at the Start of the Year | Outlets at the End of the Year | Net Change |
|----------------------|-------------|----------------------------------|--------------------------------|------------|
| Franchised           | 2019        | 1219                             | 1200                           | -19        |
|                      | 2020        | 1200                             | 1140                           | -60        |
|                      | 2021        | 1140                             | 1126                           | -14        |
| Affiliate-Owned      | 2019        | 12                               | 11                             | -1         |
|                      | 2020        | 11                               | 12                             | +1         |
|                      | 2021        | 12                               | 12                             | 0          |
| <b>Total Outlets</b> | <b>2019</b> | <b>1231</b>                      | <b>1211</b>                    | <b>-20</b> |
|                      | <b>2020</b> | <b>1211</b>                      | <b>1152</b>                    | <b>-59</b> |
|                      | <b>2021</b> | <b>1152</b>                      | <b>1138</b>                    | <b>-14</b> |

**Table No. 2**  
**Transfers of Outlets from Franchisees to New Owners (Other than the Franchisor)**  
**For Years 2019 to 2021**

| State    | Year | Number of Transfers |
|----------|------|---------------------|
| Alabama  | 2019 | 1                   |
|          | 2020 | 0                   |
|          | 2021 | 1                   |
| Alaska   | 2019 | 3                   |
|          | 2020 | 0                   |
|          | 2021 | 0                   |
| Arkansas | 2019 | 0                   |
|          | 2020 | 0                   |
|          | 2021 | 1                   |

| <b>State</b> | <b>Year</b> | <b>Number of Transfers</b> |
|--------------|-------------|----------------------------|
| Arizona      | 2019        | 2                          |
|              | 2020        | 1                          |
|              | 2021        | 3                          |
| California   | 2019        | 5                          |
|              | 2020        | 1                          |
|              | 2021        | 2                          |
| Colorado     | 2019        | 0                          |
|              | 2020        | 0                          |
|              | 2021        | 1                          |
| Connecticut  | 2019        | 0                          |
|              | 2020        | 1                          |
|              | 2021        | 0                          |
| Delaware     | 2019        | 1                          |
|              | 2020        | 0                          |
|              | 2021        | 1                          |
| Florida      | 2019        | 2                          |
|              | 2020        | 0                          |
|              | 2021        | 1                          |
| Georgia      | 2019        | 0                          |
|              | 2020        | 1                          |
|              | 2021        | 0                          |
| Illinois     | 2019        | 0                          |
|              | 2020        | 0                          |
|              | 2021        | 1                          |
| Indiana      | 2019        | 3                          |
|              | 2020        | 0                          |
|              | 2021        | 2                          |
| Kansas       | 2019        | 1                          |
|              | 2020        | 0                          |
|              | 2021        | 0                          |
| Iowa         | 2019        | 0                          |
|              | 2020        | 0                          |
|              | 2021        | 0                          |
| Louisiana    | 2019        | 2                          |
|              | 2020        | 0                          |
|              | 2021        | 2                          |
| Maryland     | 2019        | 2                          |
|              | 2020        | 0                          |
|              | 2021        | 1                          |
| Maine        | 2019        | 0                          |
|              | 2020        | 0                          |
|              | 2021        | 1                          |
| Michigan     | 2019        | 0                          |
|              | 2020        | 1                          |
|              | 2021        | 2                          |
| Missouri     | 2019        | 4                          |
|              | 2020        | 0                          |
|              | 2021        | 1                          |

| <b>State</b>   | <b>Year</b> | <b>Number of Transfers</b> |
|----------------|-------------|----------------------------|
| Mississippi    | 2019        | 2                          |
|                | 2020        | 1                          |
|                | 2021        | 0                          |
| Nevada         | 2019        | 0                          |
|                | 2020        | 0                          |
|                | 2021        | 0                          |
| New Mexico     | 2019        | 0                          |
|                | 2020        | 0                          |
|                | 2021        | 0                          |
| New Hampshire  | 2019        | 0                          |
|                | 2020        | 0                          |
|                | 2021        | 2                          |
| New Jersey     | 2019        | 7                          |
|                | 2020        | 0                          |
|                | 2021        | 20                         |
| New York       | 2019        | 10                         |
|                | 2020        | 0                          |
|                | 2021        | 2                          |
| North Carolina | 2019        | 0                          |
|                | 2020        | 2                          |
|                | 2021        | 1                          |
| Ohio           | 2019        | 6                          |
|                | 2020        | 1                          |
|                | 2021        | 5                          |
| Oklahoma       | 2019        | 0                          |
|                | 2020        | 0                          |
|                | 2021        | 0                          |
| Oregon         | 2019        | 0                          |
|                | 2020        | 0                          |
|                | 2021        | 2                          |
| Pennsylvania   | 2019        | 8                          |
|                | 2020        | 5                          |
|                | 2021        | 15                         |
| South Carolina | 2019        | 0                          |
|                | 2020        | 1                          |
|                | 2021        | 2                          |
| Tennessee      | 2019        | 1                          |
|                | 2020        | 0                          |
|                | 2021        | 0                          |
| Texas          | 2019        | 1                          |
|                | 2020        | 0                          |
|                | 2021        | 5                          |
| Virginia       | 2019        | 4                          |
|                | 2020        | 1                          |
|                | 2021        | 1                          |
| Washington     | 2019        | 10                         |
|                | 2020        | 1                          |
|                | 2021        | 0                          |

| State         | Year        | Number of Transfers |
|---------------|-------------|---------------------|
| Wisconsin     | 2019        | 0                   |
|               | 2020        | 0                   |
|               | 2021        | 0                   |
| West Virginia | 2019        | 0                   |
|               | 2020        | 0                   |
|               | 2021        | 1                   |
| <b>Total</b>  | <b>2019</b> | <b>75</b>           |
|               | <b>2020</b> | <b>17</b>           |
|               | <b>2021</b> | <b>77</b>           |

**Table No. 3  
Status of Franchised Outlets  
For Years 2019 to 2021**

| State       | Year | Outlets at Start of Year | Outlets Opened | Terminations | Non-Renewals | Reacquired by Franchisor | Ceased Operations – Other Reasons | Outlets at End of the Year |
|-------------|------|--------------------------|----------------|--------------|--------------|--------------------------|-----------------------------------|----------------------------|
| Alaska      | 2019 | 3                        | 0              | 0            | 0            | 0                        | 0                                 | 3                          |
|             | 2020 | 3                        | 0              | 0            | 0            | 0                        | 0                                 | 3                          |
|             | 2021 | 3                        | 0              | 1            | 0            | 0                        | 0                                 | 2                          |
| Alabama     | 2019 | 14                       | 0              | 2            | 0            | 0                        | 0                                 | 12                         |
|             | 2020 | 12                       | 1              | 2            | 0            | 0                        | 0                                 | 11                         |
|             | 2021 | 11                       | 0              | 1            | 0            | 0                        | 0                                 | 10                         |
| Arizona     | 2019 | 12                       | 0              | 4            | 0            | 0                        | 0                                 | 8                          |
|             | 2020 | 8                        | 1              | 1            | 0            | 0                        | 0                                 | 8                          |
|             | 2021 | 8                        | 0              | 2            | 0            | 0                        | 0                                 | 6                          |
| Arkansas    | 2019 | 8                        | 0              | 3            | 0            | 0                        | 0                                 | 5                          |
|             | 2020 | 5                        | 2              | 1            | 0            | 0                        | 0                                 | 6                          |
|             | 2021 | 6                        | 1              | 0            | 0            | 0                        | 0                                 | 7                          |
| California  | 2019 | 89                       | 3              | 10           | 0            | 0                        | 0                                 | 82                         |
|             | 2020 | 82                       | 1              | 6            | 0            | 0                        | 0                                 | 77                         |
|             | 2021 | 77                       | 2              | 3            | 0            | 0                        | 0                                 | 76                         |
| Colorado    | 2019 | 10                       | 1              | 0            | 0            | 0                        | 0                                 | 11                         |
|             | 2020 | 11                       | 0              | 0            | 0            | 0                        | 0                                 | 11                         |
|             | 2021 | 11                       | 0              | 0            | 0            | 0                        | 0                                 | 11                         |
| Connecticut | 2019 | 7                        | 0              | 0            | 0            | 0                        | 0                                 | 7                          |
|             | 2020 | 7                        | 2              | 0            | 0            | 0                        | 0                                 | 9                          |
|             | 2021 | 9                        | 0              | 1            | 0            | 0                        | 0                                 | 8                          |
| Delaware    | 2019 | 7                        | 2              | 0            | 0            | 0                        | 0                                 | 9                          |
|             | 2020 | 9                        | 2              | 0            | 0            | 0                        | 0                                 | 11                         |
|             | 2021 | 11                       | 1              | 0            | 0            | 0                        | 0                                 | 12                         |

| State                | Year | Outlets at Start of Year | Outlets Opened | Terminations | Non-Renewals | Reacquired by Franchisor | Ceased Operations – Other Reasons | Outlets at End of the Year |
|----------------------|------|--------------------------|----------------|--------------|--------------|--------------------------|-----------------------------------|----------------------------|
| District of Columbia | 2019 | 2                        | 2              | 0            | 0            | 0                        | 0                                 | 4                          |
|                      | 2020 | 4                        | 0              | 1            | 0            | 0                        | 0                                 | 3                          |
|                      | 2021 | 3                        | 1              | 0            | 0            | 0                        | 0                                 | 4                          |
| Florida              | 2019 | 110                      | 4              | 8            | 0            | 0                        | 0                                 | 106                        |
|                      | 2020 | 106                      | 2              | 9            | 0            | 0                        | 0                                 | 99                         |
|                      | 2021 | 99                       | 3              | 2            | 0            | 0                        | 0                                 | 100                        |
| Georgia              | 2019 | 33                       | 6              | 1            | 0            | 0                        | 0                                 | 38                         |
|                      | 2020 | 38                       | 1              | 5            | 0            | 0                        | 0                                 | 34                         |
|                      | 2021 | 34                       | 0              | 2            | 0            | 0                        | 0                                 | 32                         |
| Hawaii               | 2019 | 5                        | 0              | 0            | 0            | 0                        | 0                                 | 5                          |
|                      | 2020 | 5                        | 0              | 0            | 0            | 0                        | 0                                 | 5                          |
|                      | 2021 | 5                        | 0              | 0            | 0            | 0                        | 0                                 | 5                          |
| Idaho                | 2019 | 2                        | 0              | 0            | 0            | 0                        | 0                                 | 2                          |
|                      | 2020 | 2                        | 0              | 0            | 0            | 0                        | 0                                 | 2                          |
|                      | 2021 | 2                        | 1              | 0            | 0            | 0                        | 0                                 | 3                          |
| Illinois             | 2019 | 50                       | 1              | 2            | 0            | 0                        | 0                                 | 49                         |
|                      | 2020 | 49                       | 0              | 4            | 0            | 0                        | 0                                 | 45                         |
|                      | 2021 | 45                       | 1              | 3            | 0            | 0                        | 0                                 | 43                         |
| Indiana              | 2019 | 26                       | 0              | 1            | 0            | 0                        | 0                                 | 25                         |
|                      | 2020 | 25                       | 2              | 4            | 0            | 0                        | 0                                 | 23                         |
|                      | 2021 | 23                       | 0              | 1            | 0            | 0                        | 0                                 | 22                         |
| Iowa                 | 2019 | 7                        | 0              | 1            | 0            | 0                        | 0                                 | 6                          |
|                      | 2020 | 6                        | 0              | 1            | 0            | 0                        | 0                                 | 5                          |
|                      | 2021 | 5                        | 0              | 0            | 0            | 0                        | 0                                 | 5                          |
| Kansas               | 2019 | 5                        | 1              | 0            | 0            | 0                        | 0                                 | 6                          |
|                      | 2020 | 6                        | 0              | 0            | 0            | 0                        | 0                                 | 6                          |
|                      | 2021 | 6                        | 0              | 1            | 0            | 0                        | 0                                 | 5                          |
| Kentucky             | 2019 | 12                       | 1              | 1            | 0            | 0                        | 0                                 | 12                         |
|                      | 2020 | 12                       | 2              | 1            | 0            | 0                        | 0                                 | 13                         |
|                      | 2021 | 13                       | 1              | 1            | 0            | 0                        | 0                                 | 13                         |
| Louisiana            | 2019 | 16                       | 1              | 2            | 0            | 0                        | 0                                 | 15                         |
|                      | 2020 | 15                       | 0              | 1            | 0            | 0                        | 0                                 | 14                         |
|                      | 2021 | 14                       | 0              | 0            | 0            | 0                        | 0                                 | 14                         |
| Maryland             | 2019 | 49                       | 0              | 2            | 0            | 0                        | 0                                 | 47                         |
|                      | 2020 | 47                       | 0              | 2            | 0            | 0                        | 0                                 | 45                         |
|                      | 2021 | 45                       | 1              | 2            | 0            | 0                        | 0                                 | 44                         |



| State         | Year | Outlets at Start of Year | Outlets Opened | Terminations | Non-Renewals | Reacquired by Franchisor | Ceased Operations – Other Reasons | Outlets at End of the Year |
|---------------|------|--------------------------|----------------|--------------|--------------|--------------------------|-----------------------------------|----------------------------|
| Maine         | 2019 | 1                        | 0              | 0            | 0            | 0                        | 0                                 | 1                          |
|               | 2020 | 1                        | 0              | 0            | 0            | 0                        | 0                                 | 1                          |
|               | 2021 | 1                        | 0              | 1            | 0            | 0                        | 0                                 | 0                          |
| Massachusetts | 2019 | 20                       | 1              | 3            | 0            | 0                        | 0                                 | 18                         |
|               | 2020 | 18                       | 0              | 1            | 0            | 0                        | 0                                 | 17                         |
|               | 2021 | 17                       | 1              | 2            | 0            | 0                        | 0                                 | 16                         |
| Michigan      | 2019 | 29                       | 0              | 1            | 0            | 0                        | 0                                 | 28                         |
|               | 2020 | 28                       | 1              | 3            | 0            | 0                        | 0                                 | 26                         |
|               | 2021 | 26                       | 2              | 0            | 0            | 0                        | 0                                 | 28                         |
| Minnesota     | 2019 | 10                       | 2              | 1            | 0            | 0                        | 0                                 | 11                         |
|               | 2020 | 11                       | 0              | 0            | 0            | 0                        | 0                                 | 11                         |
|               | 2021 | 11                       | 0              | 0            | 0            | 0                        | 0                                 | 11                         |
| Mississippi   | 2019 | 7                        | 0              | 1            | 0            | 0                        | 0                                 | 6                          |
|               | 2020 | 6                        | 0              | 0            | 0            | 0                        | 0                                 | 6                          |
|               | 2021 | 6                        | 0              | 1            | 0            | 0                        | 0                                 | 5                          |
| Missouri      | 2019 | 26                       | 1              | 3            | 0            | 0                        | 0                                 | 24                         |
|               | 2020 | 24                       | 0              | 0            | 0            | 0                        | 0                                 | 24                         |
|               | 2021 | 24                       | 1              | 3            | 0            | 0                        | 0                                 | 22                         |
| Montana       | 2019 | 0                        | 0              | 0            | 0            | 0                        | 0                                 | 0                          |
|               | 2020 | 0                        | 1              | 0            | 0            | 0                        | 0                                 | 1                          |
|               | 2021 | 1                        | 0              | 0            | 0            | 0                        | 0                                 | 1                          |
| Nebraska      | 2019 | 5                        | 0              | 0            | 0            | 0                        | 0                                 | 5                          |
|               | 2020 | 5                        | 0              | 1            | 0            | 0                        | 0                                 | 4                          |
|               | 2021 | 4                        | 0              | 0            | 0            | 0                        | 0                                 | 4                          |
| Nevada        | 2019 | 18                       | 1              | 0            | 0            | 0                        | 0                                 | 19                         |
|               | 2020 | 19                       | 0              | 1            | 0            | 0                        | 0                                 | 18                         |
|               | 2021 | 18                       | 0              | 0            | 0            | 0                        | 0                                 | 18                         |
| New Hampshire | 2019 | 4                        | 0              | 0            | 0            | 0                        | 0                                 | 4                          |
|               | 2020 | 4                        | 0              | 0            | 0            | 0                        | 0                                 | 4                          |
|               | 2021 | 4                        | 0              | 0            | 0            | 0                        | 0                                 | 4                          |
| New Jersey    | 2019 | 75                       | 18             | 2            | 0            | 0                        | 0                                 | 91                         |
|               | 2020 | 91                       | 1              | 9            | 0            | 0                        | 0                                 | 83                         |
|               | 2021 | 83                       | 5              | 0            | 0            | 0                        | 0                                 | 88                         |
| New Mexico    | 2019 | 7                        | 0              | 1            | 0            | 0                        | 0                                 | 6                          |
|               | 2020 | 6                        | 0              | 1            | 0            | 0                        | 0                                 | 5                          |
|               | 2021 | 5                        | 0              | 0            | 0            | 0                        | 0                                 | 5                          |

| State          | Year | Outlets at Start of Year | Outlets Opened | Terminations | Non-Renewals | Reacquired by Franchisor | Ceased Operations – Other Reasons | Outlets at End of the Year |
|----------------|------|--------------------------|----------------|--------------|--------------|--------------------------|-----------------------------------|----------------------------|
| New York       | 2019 | 86                       | 3              | 5            | 0            | 0                        | 0                                 | 84                         |
|                | 2020 | 84                       | 4              | 8            | 0            | 0                        | 0                                 | 80                         |
|                | 2021 | 80                       | 3              | 8            | 0            | 0                        | 0                                 | 75                         |
| North Carolina | 2019 | 27                       | 3              | 3            | 0            | 0                        | 0                                 | 27                         |
|                | 2020 | 27                       | 0              | 2            | 0            | 0                        | 0                                 | 25                         |
|                | 2021 | 25                       | 0              | 0            | 0            | 0                        | 0                                 | 25                         |
| North Dakota   | 2019 | 1                        | 0              | 0            | 0            | 0                        | 0                                 | 1                          |
|                | 2020 | 1                        | 0              | 0            | 0            | 0                        | 0                                 | 1                          |
|                | 2021 | 1                        | 0              | 0            | 0            | 0                        | 0                                 | 1                          |
| Ohio           | 2019 | 61                       | 5              | 3            | 0            | 0                        | 0                                 | 63                         |
|                | 2020 | 63                       | 3              | 6            | 0            | 0                        | 0                                 | 60                         |
|                | 2021 | 60                       | 1              | 1            | 0            | 0                        | 0                                 | 60                         |
| Oklahoma       | 2019 | 6                        | 0              | 1            | 0            | 0                        | 0                                 | 5                          |
|                | 2020 | 5                        | 0              | 0            | 0            | 0                        | 0                                 | 5                          |
|                | 2021 | 5                        | 0              | 0            | 0            | 0                        | 0                                 | 5                          |
| Oregon         | 2019 | 7                        | 1              | 0            | 0            | 0                        | 0                                 | 8                          |
|                | 2020 | 8                        | 0              | 0            | 0            | 0                        | 0                                 | 8                          |
|                | 2021 | 8                        | 0              | 0            | 0            | 0                        | 0                                 | 8                          |
| Pennsylvania   | 2019 | 125                      | 3              | 6            | 0            | 0                        | 0                                 | 122                        |
|                | 2020 | 122                      | 1              | 10           | 0            | 0                        | 0                                 | 113                        |
|                | 2021 | 113                      | 3              | 3            | 0            | 0                        | 0                                 | 113                        |
| Rhode Island   | 2019 | 2                        | 0              | 0            | 0            | 0                        | 0                                 | 2                          |
|                | 2020 | 2                        | 2              | 1            | 0            | 0                        | 0                                 | 3                          |
|                | 2021 | 3                        | 1              | 0            | 0            | 0                        | 0                                 | 4                          |
| South Carolina | 2019 | 16                       | 3              | 1            | 0            | 0                        | 0                                 | 18                         |
|                | 2020 | 18                       | 0              | 1            | 0            | 0                        | 0                                 | 17                         |
|                | 2021 | 17                       | 0              | 1            | 0            | 0                        | 0                                 | 16                         |
| South Dakota   | 2019 | 1                        | 0              | 0            | 0            | 0                        | 0                                 | 1                          |
|                | 2020 | 1                        | 0              | 0            | 0            | 0                        | 0                                 | 1                          |
|                | 2021 | 1                        | 0              | 0            | 0            | 0                        | 0                                 | 1                          |
| Tennessee      | 2019 | 22                       | 1              | 1            | 0            | 0                        | 0                                 | 22                         |
|                | 2020 | 22                       | 1              | 1            | 0            | 0                        | 0                                 | 22                         |
|                | 2021 | 22                       | 0              | 1            | 0            | 0                        | 0                                 | 21                         |
| Texas          | 2019 | 86                       | 0              | 8            | 0            | 0                        | 0                                 | 78                         |
|                | 2020 | 78                       | 2              | 1            | 0            | 0                        | 0                                 | 79                         |
|                | 2021 | 79                       | 5              | 2            | 0            | 0                        | 0                                 | 82                         |
| Utah           | 2019 | 8                        | 1              | 5            | 0            | 0                        | 0                                 | 4                          |
|                | 2020 | 4                        | 0              | 2            | 0            | 0                        | 0                                 | 2                          |
|                | 2021 | 2                        | 0              | 0            | 0            | 0                        | 0                                 | 2                          |

| State         | Year        | Outlets at Start of Year | Outlets Opened | Terminations | Non-Renewals | Reacquired by Franchisor | Ceased Operations – Other Reasons | Outlets at End of the Year |
|---------------|-------------|--------------------------|----------------|--------------|--------------|--------------------------|-----------------------------------|----------------------------|
| Vermont       | 2019        | 1                        | 0              | 0            | 0            | 0                        | 0                                 | 1                          |
|               | 2020        | 1                        | 0              | 0            | 0            | 0                        | 0                                 | 1                          |
|               | 2021        | 1                        | 0              | 0            | 0            | 0                        | 0                                 | 1                          |
| Virginia      | 2019        | 52                       | 4              | 2            | 0            | 0                        | 0                                 | 54                         |
|               | 2020        | 54                       | 1              | 4            | 0            | 0                        | 0                                 | 51                         |
|               | 2021        | 51                       | 3              | 5            | 0            | 0                        | 0                                 | 49                         |
| Washington    | 2019        | 27                       | 1              | 4            | 0            | 0                        | 0                                 | 24                         |
|               | 2020        | 24                       | 0              | 4            | 0            | 0                        | 0                                 | 20                         |
|               | 2021        | 20                       | 0              | 1            | 0            | 0                        | 0                                 | 19                         |
| West Virginia | 2019        | 7                        | 0              | 1            | 0            | 0                        | 0                                 | 6                          |
|               | 2020        | 6                        | 0              | 0            | 0            | 0                        | 0                                 | 6                          |
|               | 2021        | 6                        | 0              | 0            | 0            | 0                        | 0                                 | 6                          |
| Wisconsin     | 2019        | 15                       | 0              | 0            | 0            | 0                        | 0                                 | 15                         |
|               | 2020        | 15                       | 2              | 1            | 0            | 0                        | 0                                 | 16                         |
|               | 2021        | 16                       | 0              | 2            | 0            | 0                        | 0                                 | 14                         |
| <b>Totals</b> | <b>2019</b> | <b>1219</b>              | <b>70</b>      | <b>89</b>    | <b>0</b>     | <b>0</b>                 | <b>0</b>                          | <b>1200</b>                |
|               | <b>2020</b> | <b>1200</b>              | <b>35</b>      | <b>95</b>    | <b>0</b>     | <b>0</b>                 | <b>0</b>                          | <b>1140</b>                |
|               | <b>2021</b> | <b>1140</b>              | <b>37</b>      | <b>51</b>    | <b>0</b>     | <b>0</b>                 | <b>0</b>                          | <b>1126</b>                |

NOTE:

The numbers in this table show the number of Shops open and operated by franchisees as of December 31, 2021, December 31, 2020, and December 31, 2019. This table does not show franchisees that have signed Franchise Agreements for Shops which have not opened yet or that have had their Franchise Agreement terminated prior to opening their Shop.

**Table No. 4  
Status of Affiliate-Owned Outlets  
For Years 2019 to 2021**

| State        | Year | Outlets at Start of the Year | Outlets Opened | Outlets Reacquired From Franchisee | Outlets Closed | Outlets Sold to Franchisee | Outlets at End of the Year |
|--------------|------|------------------------------|----------------|------------------------------------|----------------|----------------------------|----------------------------|
| Delaware     | 2019 | 1                            | 0              | 0                                  | 0              | 0                          | 1                          |
|              | 2020 | 1                            | 0              | 0                                  | 0              | 0                          | 1                          |
|              | 2021 | 1                            | 0              | 0                                  | 0              | 0                          | 1                          |
| Pennsylvania | 2019 | 9                            | 0              | 0                                  | 1              | 0                          | 8                          |
|              | 2020 | 8                            | 1              | 0                                  | 0              | 0                          | 9                          |
|              | 2021 | 9                            | 0              | 0                                  | 0              | 0                          | 9                          |
| Maryland     | 2019 | 2                            | 0              | 0                                  | 0              | 0                          | 2                          |
|              | 2020 | 2                            | 0              | 0                                  | 0              | 0                          | 2                          |
|              | 2021 | 2                            | 0              | 0                                  | 0              | 0                          | 2                          |

| State          | Year        | Outlets at Start of the Year | Outlets Opened | Outlets Reacquired From Franchisee | Outlets Closed | Outlets Sold to Franchisee | Outlets at End of the Year |
|----------------|-------------|------------------------------|----------------|------------------------------------|----------------|----------------------------|----------------------------|
| New Jersey     | 2019        | 0                            | 0              | 0                                  | 0              | 0                          | 0                          |
|                | 2020        | 0                            | 0              | 0                                  | 0              | 0                          | 0                          |
|                | 2021        | 0                            | 0              | 0                                  | 0              | 0                          | 0                          |
| North Carolina | 2019        | 0                            | 0              | 0                                  | 0              | 0                          | 0                          |
|                | 2020        | 0                            | 0              | 0                                  | 0              | 0                          | 0                          |
|                | 2021        | 0                            | 0              | 0                                  | 0              | 0                          | 0                          |
| Tennessee      | 2019        | 0                            | 0              | 0                                  | 0              | 0                          | 0                          |
|                | 2020        | 0                            | 0              | 0                                  | 0              | 0                          | 0                          |
|                | 2021        | 0                            | 0              | 0                                  | 0              | 0                          | 0                          |
| <b>Total</b>   | <b>2019</b> | <b>12</b>                    | <b>0</b>       | <b>0</b>                           | <b>1</b>       | <b>0</b>                   | <b>11</b>                  |
|                | <b>2020</b> | <b>11</b>                    | <b>1</b>       | <b>0</b>                           | <b>0</b>       | <b>0</b>                   | <b>12</b>                  |
|                | <b>2021</b> | <b>12</b>                    | <b>0</b>       | <b>0</b>                           | <b>0</b>       | <b>0</b>                   | <b>12</b>                  |

**Table No. 5**  
**Projected Openings As Of December 31, 2021**  
**For Year Ending December 31, 2022**

| State                | Franchise Agreements Signed But Outlet Not Opened | Projected New Franchised Outlets In The Next Fiscal Year | Projected New Affiliate-Owned Outlets In The Next Fiscal Year |
|----------------------|---|--|---|
| Alabama              | 3   | 1  | 0   |
| Arkansas             | 0   | 1  | 0   |
| Arizona              | 0   | 0  | 0   |
| California           | 5   | 3  | 0   |
| Colorado             | 3   | 2  | 0   |
| Connecticut          | 3   | 2  | 0   |
| Delaware             | 1   | 0  | 0   |
| District of Columbia | 1   | 1  | 0   |
| Florida              | 6   | 4  | 0   |
| Georgia              | 6   | 3  | 0   |
| Idaho                | 2   | 2  | 0   |
| Illinois             | 1   | 0  | 0   |
| Indiana              | 1   | 0  | 0   |
| Kansas               | 3   | 0  | 0   |
| Kentucky             | 3   | 2  | 0   |
| Louisiana            | 0   | 0  | 0   |
| Massachusetts        | 0   | 0  | 0   |
| Maine                | 3   | 0  | 0   |
| Maryland             | 5   | 1  | 0   |
| Michigan             | 3   | 2  | 0   |
| Mississippi          | 0   | 1  |   |
| Missouri             | 1   | 2  | 0   |
| Montana              | 0   | 0  | 0   |
| Nevada               | 2   | 2  | 0   |

| State          | Franchise Agreements Signed But Outlet Not Opened | Projected New Franchised Outlets In The Next Fiscal Year | Projected New Affiliate-Owned Outlets In The Next Fiscal Year |
|----------------|---|--|---|
| New Hampshire  | 0   | 0  | 0   |
| New Jersey     | 6   | 1  | 0   |
| New Mexico     | 1   | 0  | 0   |
| New York       | 25  | 5  | 0   |
| North Carolina | 3   | 2  | 0   |
| Ohio           | 5   | 0  | 0   |
| Oregon         | 3   | 1  | 0   |
| Pennsylvania   | 3   | 1  | 0   |
| Rhode Island   | 0   | 0  | 0   |
| Tennessee      | 2   | 0  | 0   |
| Texas          | 23  | 12   | 0   |
| Utah           | 1   | 1  | 0   |
| Virginia       | 1   | 2  | 0   |
| Washington     | 1   | 0  | 0   |
| Wisconsin      | 1   | 0  | 0   |
| <b>Total</b>   | <b>127</b>  | <b>54</b>  | <b>0</b>  |

Exhibit D shows the name, address, and telephone numbers of the franchised Shops as of December 31, 2021, as well as the name, address, and telephone number of franchisees who have signed a franchise agreement but have not opened their Shop.

Exhibit E shows, at the end of our most recent fiscal year, the name, last-known business or home city and state and business or home telephone number of the franchisees whose franchise was terminated, canceled, or not renewed; who voluntarily or involuntarily ceased to do business under a franchise agreement during the applicable fiscal year (including transfers); and those franchises who did not communicate with us within 10 weeks of the date of this Disclosure Document.

If you buy this franchise, your contact information may be disclosed to other buyers when you leave the System.

### **Confidentiality Clauses**

As a standard practice, when we enter into a Termination and Release Agreement with a former franchisee, we require the former franchisee to agree to maintain all information that the former franchisee has about us confidential. We have entered into these Termination and Release Agreements (including the confidentiality clause) within the past three years.

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

### **Franchisor Sponsored Franchisee Organizations**

We may form Regional Advisory Councils (each, a “**Council**”), in our sole discretion, at any time that more than one Shop is operated in any given region, the boundaries of which we will

determine. At the current time, there are five Councils. If we create a Council in your region, you must participate actively in the Council applicable to your Shop and attend and participate in all Council programs and meetings for the Council for your Shop. You shall pay all assessments levied by the Council for your Shop, and we have the right to enforce this obligation. Amounts and expenditures may vary from time to time and such variations may be due to variations in Council participation and costs as determined by a particular Council and any other factors approved by us. In addition, from time to time, as part of your participation in the Council, we may require that you travel to our corporate headquarters to attend a meeting with one or more corporate employees or executives.

We have established the FAC to use as a sounding board on issues that affect the System in the areas of brand development, franchise support, new business, marketing, product, design, equipment, operations and new revenue channels. The address for the FAC is 5620 Glenridge Drive NE, Atlanta, GA 30342. The FAC does not maintain a separate telephone number, email address or website.

### **Independent Franchisee Organizations**

As of the date of this Disclosure Document, no independent franchisee organizations have asked to be included in this Disclosure Document.

## **ITEM 21. FINANCIAL STATEMENTS**

Attached as Exhibit A to this Disclosure Document are the audited financial statements of Focus Systems, our parent company, which include the consolidated balance sheets as of December 26, 2021 and December 27, 2020 and the related consolidated statements of operations, changes in member's equity, and cash flows for the fiscal years ended December 26, 2021, December 27, 2020, and December 29, 2019. Focus Systems guarantees the performance of our obligations under the Franchise Agreement. A copy of the guaranty of Focus Systems is attached as Exhibit A.

As reflected in Item 1, Focus Brands will be providing required support and services to franchisees under a management agreement with us. Attached as Exhibit A are the audited financial statements of Focus Brands as of and for the fiscal years ended December 26, 2021 and December 27, 2020. These financial statements are being provided for disclosure purposes only. Focus Brands is not a party to the Franchise Agreement or other agreement we sign with franchisees nor does it guarantee our obligations under the Franchise Agreement or other agreements we sign with franchisees.

## **ITEM 22. CONTRACTS**

The following contracts and related documents are attached to this Disclosure Document.

### **EXHIBIT B AUNTIE ANNE'S FRANCHISE AGREEMENT AND RELATED AGREEMENTS:**

- Schedule A - Franchise Specific Terms
- Schedule B - Personal Covenants
- Schedule C - Guaranty of Payment and Performance
- Schedule D - State Law Addendum (If Required)
- Schedule E - Multi-Unit Addendum

## EXHIBIT C OTHER AGREEMENTS

- Non-Disclosure and Confidentiality Agreement
- Concession Shop Schedule
- Co-Branded Shop Schedule
- Satellite Retail Unit Addendum
- Satellite Retail Unit Lease Agreement
- Pretzel Bike Unit Addendum
- General Release
- POS System Support Services Agreement

### **ITEM 23. RECEIPTS**

Two copies of an acknowledgment of your receipt of this Disclosure Document are attached as the last two pages of this Disclosure Document. Please return one copy to us and retain the other for your records.

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Two copies of an acknowledgment of your receipt of this Disclosure Document are attached as the last two pages of this Disclosure Document. Please return one copy to us and retain the other for your records.



**EXHIBIT A**  
**FINANCIAL STATEMENTS**

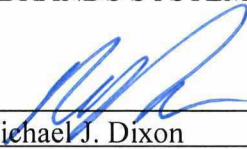
## GUARANTEE OF PERFORMANCE

For value received, FOCUS Brands Systems LLC, a Delaware limited liability company (the "Guarantor"), located at 5620 Glenridge Drive NE, Atlanta, Georgia 30342, absolutely and unconditionally guarantees to assume the duties and obligations of Auntie Anne's Franchisor SPV LLC, located at 5620 Glenridge Drive NE, Atlanta, Georgia 30342 (the "Franchisor"), under its franchise registration in each state where the franchise is registered, and under its Franchise Agreement identified in its 2022 Franchise Disclosure Document, as it may be amended, and as that Franchise Agreement may be entered into with franchisees and amended, modified or extended from time to time. This Guarantee continues until all such obligations of the Franchisor under its franchise registrations and the Franchise Agreement are satisfied or until the liability of Franchisor to its franchisees under the Franchise Agreement has been completely discharged, whichever first occurs. The Guarantor is not discharged from liability if a claim by a franchisee against the Franchisor remains outstanding. Notice of acceptance is waived. The Guarantor does not waive receipt of notice of default on the part of the Franchisor. This guarantee is binding on the Guarantor and its successors and assigns.

The Guarantor signs this guarantee at Atlanta, Georgia on this 24<sup>th</sup> day of March 2022.

Guarantor:

FOCUS BRANDS SYSTEMS LLC

By:   
Name: Michael J. Dixon  
Title: Chief Financial Officer

Consolidated Financial Statements and  
Report of Independent Certified Public Accountants

**FOCUS Brands Systems LLC and Subsidiaries**

December 26, 2021 and December 27, 2020

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**GRANT THORNTON LLP**

1100 Peachtree Street NE, Suite 1200  
Atlanta, GA 30309

**D** +1 404 330 2000

**F** +1 404 330 2047

**REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS**

Member  
FOCUS Brands Systems LLC and Subsidiaries

**Opinion**

We have audited the consolidated financial statements of FOCUS Brands Systems LLC and Subsidiaries (the "Company"), which comprise the consolidated balance sheets as of December 26, 2021 and December 27, 2020, and the related consolidated statements of operations, changes in member's equity, and cash flows for the years ended December 26, 2021, December 27, 2020 and December 29, 2019, and the related notes to the financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Company as of December 26, 2021 and December 27, 2020, and the results of their operations and their cash flows for the years ended December 26, 2021, December 27, 2020 and December 29, 2019 in accordance with accounting principles generally accepted in the United States of America.

**Basis for opinion**

We conducted our audits of the consolidated financial statements in accordance with auditing standards generally accepted in the United States of America (US GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Company and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Responsibilities of management for the financial statements**

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for one year after the date the financial statements are issued.

**Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with US GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

In performing an audit in accordance with US GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.



Atlanta, Georgia  
March 16, 2022

# Consolidated balance sheets

(In thousands)

|  | December 26,<br>2021 | December 27,<br>2020 |
|--|----------------------|----------------------|
| <b>Assets</b>  |                      |                      |
| <b>Current assets:</b>   |                      |                      |
| Cash and cash equivalents  | \$ 288               | \$ 563               |
| Restricted cash - securitization   | 5,037                | 4,713                |
| Accounts receivable, net of allowance for doubtful accounts of<br>\$2,118 and \$2,147 in 2021 and 2020, respectively | 17,212               | 16,330               |
| Prepaid expenses and other current assets  | 12                   | 91                   |
| Intercompany receivables   | -                    | 80                   |
| <b>Total current assets</b>  | <b>22,549</b>        | <b>21,777</b>        |
| Assets held for lease, net   | 345                  | 701                  |
| Intangible assets, net   | 308,231              | 310,891              |
| <b>Total assets</b>  | <b>\$ 331,125</b>    | <b>\$ 333,369</b>    |
| <b>Liabilities and Member's Equity</b>   |                      |                      |
| <b>Current liabilities:</b>  |                      |                      |
| Accrued expenses and other liabilities   | \$ 3,170             | \$ 2,489             |
| Deferred revenue   | 2,784                | 3,994                |
| Intercompany payables  | 3,282                | -                    |
| <b>Total current liabilities</b>   | <b>9,236</b>         | <b>6,483</b>         |
| Long-term deferred revenue   | 45,856               | 45,272               |
| Long-term other liabilities  | 120                  | 123                  |
| <b>Total liabilities</b>   | <b>55,212</b>        | <b>51,878</b>        |
| <b>Member's equity:</b>  |                      |                      |
| Member's equity  | 275,913              | 281,491              |
| <b>Total Member's equity</b>   | <b>275,913</b>       | <b>281,491</b>       |
| <b>Total liabilities and Member's equity</b>   | <b>\$ 331,125</b>    | <b>\$ 333,369</b>    |

The accompanying notes are an integral part of these consolidated financial statements.

# Consolidated statements of operations

(In thousands)

|  | (As recast, see<br>Note 1) |                      |                      |
|--|----------------------------|----------------------|----------------------|
| For the fiscal years ended:                  | December 26,<br>2021       | December 27,<br>2020 | December 29,<br>2019 |
| Revenues:                                    |                            |                      |                      |
| Franchise revenues                           | \$ 221,276                 | \$ 166,977           | \$ 210,226           |
| <b>Total revenues</b>                        | <b>221,276</b>             | <b>166,977</b>       | <b>210,226</b>       |
| Fees and expenses:                           |                            |                      |                      |
| Management fee to FBLLC                      | 41,654                     | 42,353               | 44,098               |
| Selling, general and administrative expenses | 404                        | 1,793                | 462                  |
| Depreciation and amortization expense        | 3,030                      | 3,435                | 3,929                |
| <b>Total fees and expenses</b>               | <b>45,088</b>              | <b>47,581</b>        | <b>48,489</b>        |
| <b>Operating income</b>                      | <b>176,188</b>             | <b>119,396</b>       | <b>161,737</b>       |
| <b>Income before income tax expense</b>      | <b>176,188</b>             | <b>119,396</b>       | <b>161,737</b>       |
| Income tax expense                           | 1,565                      | 1,188                | 1,637                |
| <b>Net income</b>                            | <b>\$ 174,623</b>          | <b>\$ 118,208</b>    | <b>\$ 160,100</b>    |

The accompanying notes are an integral part of these consolidated financial statements.



# Consolidated statements of changes in member's equity

(In thousands)

|  | <b>Member's<br/>equity</b> |
|--|----------------------------|
| <b>Balance at December 30, 2018 (As recast, see Note 1)</b>  | <b>\$ 323,822</b>          |
| Distributions to Member, net   | (162,932)                  |
| Modified retrospective adoption of ASC 606 - <i>Revenue from Contracts with Customers</i> (see Note 1) | (38,900)                   |
| Net income   | 160,100                    |
| <b>Balance at December 29, 2019</b>  | <b>282,090</b>             |
| Distributions to Member, net   | (118,807)                  |
| Net income   | 118,208                    |
| <b>Balance at December 27, 2020</b>  | <b>281,491</b>             |
| Distributions to Member, net   | (180,201)                  |
| Net income   | 174,623                    |
| <b>Balance at December 26, 2021</b>  | <b>\$ 275,913</b>          |

The accompanying notes are an integral part of these consolidated financial statements.

# Consolidated statements of cash flows

(In thousands)

|   | (As recast, see<br>Note 1) |                      |                      |
|---|----------------------------|----------------------|----------------------|
| For the fiscal years ended:   | December 26,<br>2021       | December 27,<br>2020 | December 29,<br>2019 |
| <b>Cash flows from operating activities:</b>  |                            |                      |                      |
| Net income  | \$ 174,623                 | \$ 118,208           | \$ 160,100           |
| Adjustments to reconcile net income to net cash provided by operating activities:         |                            |                      |                      |
| Depreciation and amortization expense   | 3,030                      | 3,435                | 3,929                |
| Non-cash interest expense   | -                          | -                    | 55                   |
| Loss (gain) on assets held for lease, net   | 11                         | (6)                  | 25                   |
| Provision for bad debts   | 120                        | 1,754                | 287                  |
| Changes in operating assets and liabilities:  |                            |                      |                      |
| Accounts receivable, prepaid expenses and other assets                                    | (923)                      | (3,815)              | 290                  |
| Accrued expenses and other liabilities  | 677                        | 303                  | (35)                 |
| Deferred revenue  | (626)                      | (1,502)              | (1,352)              |
| Intercompany receivable / payable   | 3,362                      | 646                  | (30)                 |
| <b>Net cash provided by operating activities</b>  | <b>180,274</b>             | <b>119,023</b>       | <b>163,269</b>       |
| <b>Cash flows from investing activities:</b>  |                            |                      |                      |
| Purchases of assets held for lease  | (33)                       | (51)                 | (305)                |
| Proceeds from sale or disposal of assets held for lease                                   | 9                          | 13                   | -                    |
| Change in revolving note with FBLLC   | -                          | -                    | (891)                |
| <b>Net cash used in investing activities</b>  | <b>(24)</b>                | <b>(38)</b>          | <b>(1,196)</b>       |
| <b>Cash flows from financing activities:</b>  |                            |                      |                      |
| Distributions to Member, net  | (180,201)                  | (118,807)            | (162,932)            |
| <b>Net cash used in financing activities</b>  | <b>(180,201)</b>           | <b>(118,807)</b>     | <b>(162,932)</b>     |
| Net increase (decrease) in Cash and cash equivalents and Restricted cash - securitization |                            |                      |                      |
| Restricted cash - securitization  | 49                         | 178                  | (859)                |
| Cash and cash equivalents and Restricted cash - securitization, beginning of period       | 5,276                      | 5,098                | 5,957                |
| <b>Cash and cash equivalents and Restricted cash - securitization, end of period</b>      | <b>\$ 5,325</b>            | <b>\$ 5,276</b>      | <b>\$ 5,098</b>      |
| <b>Supplemental disclosure of cash flow information:</b>                                  |                            |                      |                      |
| Cash paid for:  |                            |                      |                      |
| Income taxes, net   | \$ 1,565                   | \$ 1,188             | \$ 1,637             |

The accompanying notes are an integral part of these consolidated financial statements.

# Notes to consolidated financial statements

## (Dollars in thousands)

### **1 Nature of Operations and Summary of Significant Accounting Policies**

#### **Organization**

FOCUS Brands Systems LLC (the “Company”) is a limited-purpose, bankruptcy-remote, wholly owned direct subsidiary of FOCUS Brands Funding LLC (the “Master Issuer”), which is a limited-purpose, bankruptcy-remote, wholly owned direct subsidiary of FOCUS Funding Holdco LLC, which is a limited-purpose, bankruptcy-remote, wholly owned direct subsidiary of FBIG LLC, which is a wholly owned direct subsidiary of Focus Brands LLC (“FBLLC”), which is a wholly owned direct subsidiary of Focus Brands Holdings Inc. (“FBHI”).

On January 17, 2020, a restructuring was completed whereby Carvel Funding Holdco LLC and McAlister’s Funding Holdco LLC merged with and into FOCUS Funding Holdco LLC, Carvel Funding LLC and McAlister’s Funding LLC merged with and into the Master Issuer, and Carvel Franchisor SPV LLC and McAlister’s Franchisor SPV LLC were contributed to the Company at book value.

The Company comprises the worldwide operations of its limited-purpose, bankruptcy-remote, wholly owned direct subsidiaries (collectively, the “Franchising Entities”): Auntie Anne’s Franchisor SPV LLC, Carvel Franchisor SPV LLC, Cinnabon Franchisor SPV LLC, McAlister’s Franchisor SPV LLC, Moe’s Franchisor SPV LLC, and Schlotzsky’s Franchisor SPV LLC. The Franchising Entities are the franchisors of over 5,400 bakeries and restaurants (“SBRs”, “SBR”) in the United States and approximately 60 foreign countries and territories operating under the brand names Carvel®, Cinnabon®, Schlotzsky’s®, Moe’s®, Auntie Anne’s®, and McAlister’s Deli®. The Franchising Entities’ business revenues are primarily generated from franchise revenues including royalty and mix fees, development and franchise fees, licensing fees, rebates from certain vendors, and digital transaction fees.

Certain of the Company’s affiliates administer the advertising funds on behalf of the brands’ franchise systems. The certain affiliates are not included in the Company’s consolidated financial statements.

The Company was formed in conjunction with the securitization transaction completed on April 6, 2017 (see Note 5).

#### **Basis of Presentation**

All significant intercompany accounts and transactions have been eliminated in consolidation.

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Certain prior year amounts have been reclassified to conform to the current year presentation resulting from the restructuring that occurred on January 17, 2020.

**Fiscal Year**

The Company operates on a fifty-two or fifty-three week fiscal year that ends on the last Sunday of the calendar year. The consolidated financial statements include fifty-two weeks for the fiscal years ended December 26, 2021, December 27, 2020, and December 29, 2019, respectively.

**Cash and Cash Equivalents**

Cash and cash equivalents includes funds not subject to the restrictions discussed in the “Restricted Cash” section. As of December 26, 2021 and December 27, 2020, Cash and cash equivalents consists only of funds on deposit with commercial banks.

**Restricted Cash**

The Company’s restricted cash is comprised of cash collections related to securitized franchising or licensing activities. Changes in Cash and cash equivalents and Restricted cash – securitization during the period are explained in total within the consolidated statements of cash flows.

**Credit Risk**

The Company’s financial instruments that are exposed to concentrations of credit risk consist primarily of cash and cash equivalents, restricted cash, and accounts receivable. The Company places its cash and cash equivalents and restricted cash, which generally exceed federally insured limits, with high credit quality financial institutions or in money market funds that invest in U.S. Treasury bills, notes, or other obligations issued or guaranteed by the U.S. Government, its agencies, or instrumentalities, and repurchase agreements secured by such obligations or cash. The Company has not experienced any losses in such accounts.

Accounts receivable consists primarily of amounts due from franchisees, licensees, and vendors for royalty fees, franchise fees, and rebates. The financial condition of the franchisees and licensees is largely dependent upon the underlying business trends of the Company’s brands and market conditions within the quick service restaurant industry, both domestically and internationally. This concentration of credit risk is mitigated, in part, by the large number of franchisees and licensees of each brand and the short-term nature of the related receivables. As of December 26, 2021 and December 27, 2020, no individual franchisee or licensee accounted for more than 10% of total accounts and notes receivable. No individual franchisee or licensee accounted for more than 10% of total revenues for the fiscal years ended December 26, 2021, December 27, 2020, and December 29, 2019.

**Accounts Receivable and Allowance for Doubtful Accounts**

Accounts receivable are primarily due from franchisees, vendors and licensees and are reflected in the consolidated financial statements at cost, net of allowance.

The Company determines the allowance for doubtful accounts based upon a specific review of outstanding customer balances and a general reserve based on the aging of customer accounts and write-off history. Accounts receivable are written off against the allowance for doubtful accounts when it is probable the receivable will not be recovered. The Company monitors the financial condition of its subsidiaries’ franchisees, licensees, and vendors and records provisions for estimated losses on receivables when the Company believes that its subsidiaries’ franchisees or licensees are unable to make their required payments. While the Company uses the best information available in making its determination, the ultimate recovery of recorded receivables is also dependent upon future economic events and other conditions that may be beyond the Company’s control.

**Assets Held for Lease**

Assets held for lease is largely comprised of satellite SBRs that the Company leases to franchisees under month-to-month operating lease agreements and are recorded at cost, less accumulated depreciation. Expenditures that extend the useful lives of the related assets are capitalized. Expenditures for normal maintenance and repairs are expensed as incurred. Depreciation is computed on a straight-line basis over estimated useful lives of between 2-7 years.

## Intangible Assets

Intangible assets consist primarily of tradenames and franchise agreements. The Company does not amortize tradenames. Indefinite-lived intangible assets are evaluated for impairment on an annual basis at year-end, or more frequently when circumstances arise indicating that a particular asset may be impaired. The impairment evaluation for the indefinite-lived tradenames includes a comparison of the fair value of the tradenames with their respective carrying value. Fair value is the amount for which the tradenames could be sold in a current transaction between willing parties. The Company estimates fair value using multiple valuation methodologies, including discounted cash flow models. The operating assumptions used in the discounted cash flow models are generally consistent with past performance and with the projections and assumptions that are used in the current operating plan. Such assumptions are subject to change as a result of changing economic and competitive conditions. If the carrying value of an indefinite-lived tradename exceeds its fair value, the tradename is written down to its fair value.

Amortizable intangible assets are tested for impairment if events occur that suggest the assets might be impaired. No impairment losses were recorded for intangible assets during the fiscal years ended December 26, 2021, December 27, 2020, and December 29, 2019.

## Income Taxes

The Company is comprised of single-member limited liability companies for federal and state income tax purposes with all income tax liabilities and/or benefits of the Company being passed through to an indirect parent of the Company. As such, no recognition of federal or state income taxes for the Company have been provided for in the accompanying consolidated financial statements.

Income tax expense is comprised of foreign income taxes in certain international jurisdictions which arise from withholding taxes associated with payments of royalties and fees by international franchisees.

## Revenue Recognition

Revenue is recognized in accordance with a five-step revenue model, as follows: identifying the contract with the customer; identifying the performance obligations in the contract; determining the transaction price; allocating the transaction price to the performance obligations; and recognizing revenue when (or as) the entity satisfies a performance obligation. In applying this five-step model, the Company determined that the franchise right granted for each individual SBR within an arrangement represents a single performance obligation. Therefore, all consideration within the contract is allocated to the franchise right and recognized over the term of the franchise agreement.

Franchise revenues consists of revenues from franchising activities and are recognized based on the terms of the underlying franchise agreements in accordance with Accounting Standards Codification (“ASC”) 606 – *Revenue from Contracts with Customers* (“ASC 606”). Revenues from franchising activities include development fees associated with a franchisee’s planned development of a specified number of SBRs within a defined geographic territory, franchise fees associated with open SBR locations, ongoing royalty fees which are typically based on a percentage of the individual franchisee sales, rebates from certain vendors, product licensing revenues, and digital transaction fees.

Development fees are recorded as deferred franchise revenue when received and are recognized as revenue on a straight-line basis over the term of each underlying franchise agreement satisfying the development obligation, commencing when the SBR is opened.

Franchise fees are recorded as deferred revenue when received and are recognized as revenue on a straight-line basis over the term of each respective franchise agreement, commencing when the SBR covered by the fees is opened. Cash collected prior to substantial performance by the respective Franchising Entity is deferred until the revenue recognition criteria are met.

The Company applies the sales-based royalty exception under ASC 606 and accordingly recognizes royalty fees, rebates from certain vendors, licensing revenues, and digital transaction fees as they are earned by the Franchising Entities.

Refer to the Recently Issued Accounting Guidance section below for a summary of changes to the Company's revenue recognition policies and the impact of the adoption of ASC 606 on the Company's financial statements.

Certain franchisees are required to purchase ice cream mix from a certain Franchising Entity's approved distributors, who in turn source the ice cream mix from that Franchising Entity's approved manufacturers. Ice cream mix revenues are recognized upon the sale of ice cream mix based upon the respective agreements with the manufacturers, distributors and the franchisees.

### **Comprehensive Income**

Comprehensive income is defined as the change in equity of a business enterprise during a period from transactions and other events and circumstances from non-owner sources. Comprehensive income is the same as net income for the periods presented. Therefore, separate statements of comprehensive income are not included in the accompanying consolidated financial statements.

### **Fair Value Measurements**

The guidance for fair value measurements establishes the authoritative definition for fair value, sets out a framework for measuring fair value and outlines the required disclosures regarding fair value measurements. Fair value is the price that would be received to sell an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants at the measurement date. The Company uses a three-tier fair value hierarchy based upon observable and non-observable inputs as follows:

- Level 1: Quoted market prices in active markets for identical assets or liabilities.
- Level 2: Inputs other than Level 1 that are either directly or indirectly observable.
- Level 3: Unobservable inputs developed using the Company's estimates and assumptions which reflect those that market participants would use.

At December 26, 2021 and December 27, 2020, the Company had no financial instruments that are measured at fair value.

### **Recently Issued Accounting Guidance**

In May 2014, the Financial Accounting Standards Board ("FASB") issued ASC 606. The new guidance provides a single framework in which revenue is required to be recognized to depict the transfer of goods or services to customers in amounts that reflect the consideration to which a company expects to be entitled in exchange for those goods or services. The FASB has also issued various amendments which provide additional clarification and implementation guidance on ASC 606. The Company adopted ASC 606 on December 31, 2018 (the "Effective Date") using the modified retrospective approach whereby a cumulative effect for all contracts not completed at the Effective Date was recorded to the consolidated balance sheet. The consolidated financial statements are presented in accordance with ASC 606.

The Company determined that franchise and development fees are not separate and distinct performance obligations from the franchise right. These upfront fees will therefore be recognized as revenue over the term of each respective franchise agreement as the related SBRs are opened.

The cumulative effects of the changes made to the Company's consolidated balance sheet as of the Effective Date for the adoption of ASC 606 were as follows:

|                  | <b>Balance at<br/>December 30,<br/>2018</b> | <b>Adjustments<br/>due to ASC<br/>606</b> | <b>Balance at<br/>Effective Date</b> |
|------------------|---|---|--------------------------------------|
| Deferred revenue | 13,221                                      | 38,900                                    | 52,121                               |
| Member's equity  | 323,822                                     | (38,900)                                  | 284,922                              |

In January 2021, the FASB issued final guidance that provides a practical expedient for private company franchisors to account for certain pre-opening services provided to a franchisee as separate performance obligation(s) distinct from the franchise right. Franchisors who apply this practical expedient can potentially recognize the fees associated with these pre-opening services up-front. For private company franchisors that have already adopted ASC 606, the guidance was effective in annual periods beginning after December 15, 2020 and interim periods therein. The Company did not adopt this practical expedient.

### Subsequent Events

The Company discloses material events that occur after the balance sheet date but before financial statements are issued. In general, these events are recognized in the financial statements if the condition existed at the date of the balance sheet, but are not recognized if the condition did not exist at the balance sheet date. The Company discloses non-recognized events if required to keep the financial statements from being misleading. Management evaluated events occurring subsequent to December 26, 2021 through March 16, 2022, the date these consolidated financial statements were available for issuance, and determined that no subsequent event disclosures were required.

## 2 Revenue

The Company recognizes franchise revenues as the related performance obligations are satisfied.

The Company generally recognizes revenue associated with franchise and development fees of open SBRs over time. Royalties, rebates from certain vendors, licensing fees, and digital transaction fees are generally recognized at a point in time.

Franchise revenues are disaggregated by the timing of recognition as follows:

|   | <b>December 26,<br/>2021</b> | <b>December 27,<br/>2020</b> | <b>December 29,<br/>2019</b> |
|---|------------------------------|------------------------------|------------------------------|
| <b>For the fiscal years ended:</b>              |                              |                              |                              |
| Franchise revenues satisfied over time          | \$ 3,569                     | \$ 3,576                     | \$ 4,493                     |
| Franchise revenues satisfied at a point in time | 217,707                      | 163,401                      | 205,733                      |
| <b>Total franchise revenues</b>                 | <b>\$ 221,276</b>            | <b>\$ 166,977</b>            | <b>\$ 210,226</b>            |

Contract liabilities consist of deferred franchise fees and development fees. On the Effective Date, the Company recorded an adjustment to Member's equity and corresponding contract liabilities to Deferred revenue and Long-term deferred revenue totaling \$38,900 associated with deferred franchise and development fees received through December 30, 2018 that would have been deferred and recognized over the term of each respective franchise store agreement had ASC 606 been applied in the past.

Changes in deferred franchise fees and development fees are as follows:

| <b>For the fiscal years ended:</b>              | <b>December 26,<br/>2021</b> | <b>December 27,<br/>2020</b> |
|---|------------------------------|------------------------------|
| Deferred revenue at the beginning of the period | \$ 49,266                    | \$ 50,769                    |
| Revenue recognized during the period            | (8,590)                      | (7,405)                      |
| Deferrals due to cash received and other        | 7,964                        | 5,902                        |
| <b>Deferred revenue</b>                         | <b>\$ 48,640</b>             | <b>\$ 49,266</b>             |

The Company expects to recognize revenue in the future related to performance obligations that are partially satisfied at the end of the period:

| <b>For the fiscal years:</b>          |                  |
|---------------------------------------|------------------|
| 2022                                  | \$ 2,784         |
| 2023                                  | 2,845            |
| 2024                                  | 2,579            |
| 2025                                  | 2,333            |
| 2026                                  | 2,057            |
| Thereafter                            | 15,889           |
| <b>Deferred revenue for open SBRs</b> | <b>\$ 28,487</b> |

Deferred revenue of \$20,153 relates to the unsatisfied future performance obligations associated with unopened SBRs and is not included within the table above. The Company anticipates recognizing revenue over the terms of the respective franchise agreements, which are typically 10-20 years, once the related SBRs are opened.

### **3 Assets Held for Lease**

Assets held for lease, net consists of the following:

| <b>For the fiscal years ended:</b>               | <b>December 26,<br/>2021</b> | <b>December 27,<br/>2020</b> |
|--|------------------------------|------------------------------|
| Assets held for lease                            | \$ 4,484                     | \$ 4,588                     |
| Construction in progress - assets held for lease | -                            | -                            |
| Total assets held for lease                      | 4,484                        | 4,588                        |
| Accumulated depreciation                         | (4,139)                      | (3,887)                      |
| <b>Assets held for lease, net</b>                | <b>\$ 345</b>                | <b>\$ 701</b>                |

Depreciation of assets held for lease totaled \$370, \$627, and \$697 for the fiscal years ended December 26, 2021, December 27, 2020, and December 29, 2019, respectively.



#### 4 Intangible Assets

Intangible assets, net at December 26, 2021 consists of the following:

|                                      | Weighted<br>average<br>amortization<br>period<br>(years) | Gross<br>carrying<br>amount | Accumulated<br>amortization | Net<br>carrying<br>amount |
|--------------------------------------|--|-----------------------------|-----------------------------|---------------------------|
| <b>Definite-lived intangibles:</b>   |  |                             |                             |                           |
| Franchise agreements                 | 13   | \$ 41,610                   | \$ (39,502)                 | \$ 2,108                  |
| <b>Indefinite-lived intangibles:</b> |  |                             |                             |                           |
| Tradenames                           | n/a  | 306,123                     | n/a                         | 306,123                   |
|                                      |  | <b>\$ 347,733</b>           | <b>\$ (39,502)</b>          | <b>\$ 308,231</b>         |

Intangible assets, net at December 27, 2020 consists of the following:

|                                      | Weighted<br>average<br>amortization<br>period<br>(years) | Gross<br>carrying<br>amount | Accumulated<br>amortization | Net<br>carrying<br>amount |
|--------------------------------------|--|-----------------------------|-----------------------------|---------------------------|
| <b>Definite-lived intangibles:</b>   |  |                             |                             |                           |
| Franchise agreements                 | 13   | \$ 41,610                   | \$ (36,842)                 | \$ 4,768                  |
| <b>Indefinite-lived intangibles:</b> |  |                             |                             |                           |
| Tradenames                           | n/a  | 306,123                     | n/a                         | 306,123                   |
|                                      |  | <b>\$ 347,733</b>           | <b>\$ (36,842)</b>          | <b>\$ 310,891</b>         |

Amortization expense of definite-lived intangible assets totaled \$2,660, \$2,808, and \$3,232 for the fiscal years ended December 26, 2021, December 27, 2020, and December 29, 2019, respectively.

Estimated future amortization expense for each of the next five years is as follows:

| <b>For the fiscal years:</b> |          |
|------------------------------|----------|
| 2022                         | \$ 1,822 |
| 2023                         | 111      |
| 2024                         | 111      |
| 2025                         | 64       |
| 2026                         | -        |

## **5 Guarantees**

The Master Issuer and Jamba Juice Funding LLC, a limited-purpose, bankruptcy-remote, wholly owned direct subsidiary of Jamba Juice Funding Holdco LLC, which is a limited-purpose, bankruptcy-remote, wholly owned direct subsidiary of Jamba Juice LLC, which is a wholly owned direct subsidiary of Jamba, Inc., which is a wholly owned direct subsidiary of FBIG LLC (Jamba Juice Funding LLC, collectively with the Master Issuer, the “Co-Issuers”), are the issuers of outstanding senior secured notes (the “Notes”) under securitized financing facilities that were entered into in 2018 and 2017.

The Notes are secured by intellectual property and franchising-related assets held by the Company, its direct and indirect parents, and certain other affiliates (collectively, the “Guarantors”). Each Guarantor is a separate entity, has separate creditors (from FBHI and any of its non-Guarantor affiliates), and owns all of its assets. The Co-Issuers are dependent on the Company and certain other subsidiaries of the Co-Issuers for sufficient cash flow to service the debt. As of December 26, 2021 and December 27, 2020, the outstanding principal balance of the Notes on the separate Co-Issuers’ combined balance sheets totaled \$858,484 and \$873,000, respectively.

FBLLC manages and services the Guarantors’ assets in its capacity as the manager under a management agreement (the “Securitization Management Agreement”). The primary responsibilities of the manager are to administer collections and otherwise manage the managed assets on behalf of the Guarantors, and to perform certain franchising, intellectual property and operational and reporting services on behalf of the Guarantors with respect to the managed assets (see Note 6).

## **6 Related Party Transactions**

The Company recognized royalty fees from SBRs which are owned and operated by affiliates of \$5,855, \$4,992, and \$5,528 in the consolidated statements of operations for the fiscal years ended December 26, 2021, December 27, 2020, and December 29, 2019, respectively.

As discussed in Note 5, the Guarantors entered into the Securitization Management Agreement with FBLLC to perform certain services on behalf of the Guarantors. In exchange for the services, the Company pays a weekly management fee equal to the sum of (i) a base amount of \$14,000 and (ii) \$15 for every \$100 of aggregate collections over the preceding four most recently ended quarterly fiscal periods, divided by 52 or 53, as applicable. Fees are subject to 2% annual increases on the first day of the Company’s fiscal year, with a cap as defined in the Securitization Management Agreement. The Company expensed management fees of \$41,654, \$42,353, and \$44,098 in the consolidated statements of operations within Management fee to FBLLC for the fiscal years ended December 26, 2021, December 27, 2020, and December 29, 2019, respectively.

## **7 Commitments and Contingencies**

### **Legal Actions and Claims**

In the normal course of business, various legal actions and claims are pending against the Company. It is the opinion of management, based on consultation with counsel, that the ultimate resolution of these contingencies, to the extent not previously provided for, will not have a material effect on the consolidated financial condition, results of operations or liquidity of the Company.

Consolidated Financial Statements and  
Report of Independent Certified Public Accountants

**Focus Brands LLC and Subsidiaries**

December 26, 2021 and December 27, 2020

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**GRANT THORNTON LLP**

1100 Peachtree St. NE, Suite 1200  
Atlanta, GA 30309

**D** +1 404 330 2000

**F** +1 404 475 0107

**REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS**

Member

Focus Brands LLC and Subsidiaries

**Opinion**

We have audited the consolidated financial statements of Focus Brands LLC (a Delaware corporation) and subsidiaries (the "Company"), which comprise the consolidated balance sheets as of December 26, 2021 and December 27, 2020, and the related consolidated statements of operations, changes in member's deficit, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Company as of December 26, 2021 and December 27, 2020, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

**Basis for opinion**

We conducted our audits of the consolidated financial statements in accordance with auditing standards generally accepted in the United States of America (US GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Company and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Responsibilities of management for the financial statements**

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for one year after the date the financial statements are issued.

**Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with US GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

In performing an audit in accordance with US GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

*Grant Thornton LLP*

Atlanta, Georgia  
February 28, 2022

# Consolidated balance sheets

(In thousands)

|  | December 26,<br>2021 | December 27,<br>2020 |
|--|----------------------|----------------------|
| <b>Assets</b>  |                      |                      |
| <b>Current assets:</b>   |                      |                      |
| Cash and cash equivalents  | \$ 194,701           | \$ 122,787           |
| Restricted cash and cash equivalents - securitization  | 18,273               | 22,010               |
| Accounts receivable, net of allowance for doubtful accounts of<br>\$2,757 and \$4,469 in 2021 and 2020, respectively | 31,450               | 33,496               |
| Inventories  | 834                  | 821                  |
| Prepaid expenses and other current assets  | 6,589                | 4,002                |
| Advertising funds assets   | 19,349               | 14,554               |
| Income taxes receivable  | 6,898                | -                    |
| Intercompany receivables from Parent   | 3,277                | 3,277                |
| <b>Total current assets</b>  | <b>281,371</b>       | <b>200,947</b>       |
| Property, equipment, leasehold improvements and land, net  | 34,522               | 34,581               |
| Goodwill   | 120,163              | 120,170              |
| Intangible assets, net   | 498,781              | 502,562              |
| Long-term other assets   | 15,231               | 12,222               |
| <b>Total assets</b>  | <b>\$ 950,068</b>    | <b>\$ 870,482</b>    |

The accompanying notes are an integral part of these consolidated financial statements.

# Consolidated balance sheets (cont'd)

(In thousands)

|   | December 26,<br>2021 | December 27,<br>2020 |
|---|----------------------|----------------------|
| <b>Liabilities and Member's Deficit</b>       |                      |                      |
| <b>Current liabilities:</b>                   |                      |                      |
| Accounts payable                              | \$ 12,585            | \$ 11,364            |
| Accrued expenses and other liabilities        | 73,303               | 54,452               |
| Income taxes payable                          | -                    | 671                  |
| Advertising funds liabilities                 | 14,060               | 7,857                |
| Deferred revenue                              | 3,092                | 4,213                |
| Current portion of long-term debt             | 8,942                | 7,500                |
| <b>Total current liabilities</b>              | <b>111,982</b>       | <b>86,057</b>        |
| Long-term debt                                | 837,698              | 852,149              |
| Long-term deferred tax liabilities            | 72,650               | 64,862               |
| Long-term deferred revenue                    | 54,783               | 52,668               |
| Long-term other liabilities                   | 12,154               | 15,546               |
| <b>Total liabilities</b>                      | <b>1,089,267</b>     | <b>1,071,282</b>     |
| Commitments and contingencies (see Note 11)   |                      |                      |
| <b>Member's deficit:</b>                      |                      |                      |
| Member's deficit                              | (139,199)            | (200,800)            |
| <b>Total member's deficit</b>                 | <b>(139,199)</b>     | <b>(200,800)</b>     |
| <b>Total liabilities and member's deficit</b> | <b>\$ 950,068</b>    | <b>\$ 870,482</b>    |

The accompanying notes are an integral part of these consolidated financial statements.



# Consolidated statements of operations

(In thousands)

| <b>For the fiscal years ended:</b>                       | <b>December 26,<br/>2021</b> | <b>December 27,<br/>2020</b> |
|--|------------------------------|------------------------------|
| <b>Revenues:</b>   |                              |                              |
| Franchise revenues                                       | \$ 262,669                   | \$ 199,618                   |
| Company store, bakery and restaurant revenues            | 106,924                      | 91,321                       |
| Franchise and other rental revenues                      | 13,141                       | 15,803                       |
| Advertising funds revenues                               | 77,809                       | 55,618                       |
| <b>Total revenues</b>                                    | <b>460,543</b>               | <b>362,360</b>               |
| <b>Expenses:</b>   |                              |                              |
| Company store, bakery and restaurant operations expenses | 89,639                       | 77,130                       |
| Selling, general and administrative expenses             | 131,093                      | 101,805                      |
| Franchise and other rental expense                       | 12,616                       | 15,060                       |
| Share-based compensation expense (income)                | 912                          | (1,710)                      |
| Advertising funds expenses                               | 76,218                       | 56,372                       |
| Depreciation and amortization expense                    | 14,600                       | 15,387                       |
| Other operating expense, net                             | 11,884                       | 10,161                       |
| <b>Total expenses</b>                                    | <b>336,962</b>               | <b>274,205</b>               |
| <b>Operating income</b>                                  | <b>123,581</b>               | <b>88,155</b>                |
| Interest expense, net                                    | 45,849                       | 46,379                       |
| Other expense, net                                       | 1,202                        | -                            |
| <b>Income before income tax expense</b>                  | <b>76,530</b>                | <b>41,776</b>                |
| Income tax expense                                       | 16,590                       | 8,214                        |
| <b>Net income</b>  | <b>\$ 59,940</b>             | <b>\$ 33,562</b>             |

The accompanying notes are an integral part of these consolidated financial statements.

# Consolidated statements of changes in member's deficit

(In thousands)

|  | <b>Member's<br/>deficit</b> |
|--|-----------------------------|
| <b>Balance at December 29, 2019</b>                                | <b>\$ (232,652)</b>         |
| Share-based compensation expense (income)                          | (1,710)                     |
| Net income   | 33,562                      |
| <b>Balance at December 27, 2020</b>                                | <b>(200,800)</b>            |
| Cash proceeds retained from the exercise of Parent's stock options | 1,182                       |
| Share-based compensation expense                                   | 912                         |
| Purchase of Parent's shares of common stock                        | (433)                       |
| Net income   | 59,940                      |
| <b>Balance at December 26, 2021</b>                                | <b>\$ (139,199)</b>         |

The accompanying notes are an integral part of these consolidated financial statements.

# Consolidated statements of cash flows

(In thousands)

| <b>For the fiscal years ended:</b>  | <b>December 26,<br/>2021</b> | <b>December 27,<br/>2020</b> |
|---|------------------------------|------------------------------|
| <b>Cash flows from operating activities:</b>  |                              |                              |
| Net income  | \$ 59,940                    | \$ 33,562                    |
| Adjustments to reconcile net income to net cash provided by operating activities:                         |                              |                              |
| Depreciation and amortization expense   | 14,600                       | 15,387                       |
| Non-cash interest expense   | 2,826                        | 2,510                        |
| Loss on debt extinguishment and other refinancing expenses  | 78                           | -                            |
| Deferred income taxes   | 7,788                        | 9,511                        |
| Asset impairment losses   | -                            | 447                          |
| Loss (gain) on disposed property, equipment and leasehold improvements, net                               | (1,281)                      | 284                          |
| Share-based compensation expense (income)   | 912                          | (1,710)                      |
| Provision for (recoveries from) bad debts   | (275)                        | 2,812                        |
| Changes in operating assets and liabilities:  |                              |                              |
| Accounts receivable   | 2,321                        | (13,431)                     |
| Inventories, prepaid expenses and other assets  | (3,614)                      | 2,284                        |
| Advertising funds   | 1,408                        | (299)                        |
| Accounts payable, accrued expenses and other liabilities  | 18,810                       | 12,130                       |
| Deferred revenue  | 995                          | (846)                        |
| Income tax receivables and payables, net  | (7,563)                      | 5,224                        |
| Long-term other liabilities   | (3,053)                      | (1,656)                      |
| <b>Net cash provided by operating activities</b>  | <b>93,892</b>                | <b>66,209</b>                |
| <b>Cash flows from investing activities:</b>  |                              |                              |
| Acquisition of stores, bakeries and restaurants   | (390)                        | -                            |
| Purchases of property, equipment and leasehold improvements   | (11,218)                     | (8,470)                      |
| Proceeds from sale of stores, bakeries and restaurants  | 2,431                        | 186                          |
| Proceeds from sale or disposal of property, equipment and leasehold improvements                          | 626                          | 254                          |
| Other investments   | (2,000)                      | -                            |
| <b>Net cash used in investing activities</b>  | <b>(10,551)</b>              | <b>(8,030)</b>               |
| <b>Cash flows from financing activities:</b>  |                              |                              |
| Borrowings on revolving credit facility   | -                            | 188,440                      |
| Payments on revolving credit facility   | -                            | (188,440)                    |
| Principal payments on debt  | (8,957)                      | (9,000)                      |
| Payments on debt extinguishment   | (5,558)                      | -                            |
| Payments on debt modification   | (1,398)                      | -                            |
| Proceeds from issuance of Parent's shares of common stock   | 1,182                        | -                            |
| Purchases of common stock   | (433)                        | -                            |
| <b>Net cash used in financing activities</b>  | <b>(15,164)</b>              | <b>(9,000)</b>               |
| Net increase in Cash and cash equivalents and Restricted cash and cash equivalents - securitization       | 68,177                       | 49,179                       |
| Cash and cash equivalents and Restricted cash and cash equivalents - securitization, beginning of period  | 144,797                      | 95,618                       |
| <b>Cash and cash equivalents and Restricted cash and cash equivalents - securitization, end of period</b> | <b>\$ 212,974</b>            | <b>\$ 144,797</b>            |

The accompanying notes are an integral part of these consolidated financial statements.

# Notes to consolidated financial statements

## (Dollars in thousands)

### **1 Nature of Operations and Summary of Significant Accounting Policies**

#### **Organization**

Focus Brands LLC (“FBLLC”), a wholly owned subsidiary of Focus Brands Holdings Inc. (“FBHI” or the “Parent”), comprises the worldwide operations of its subsidiaries (the “subsidiaries” and collectively, the “Company”) which are principally the franchisors and operators of over 6,500 stores, bakeries, and restaurants (“SBRs”, “SBR”) in the United States and approximately 60 foreign countries and territories operating under the brand names Carvel®, Cinnabon®, Schlotzsky’s®, Moe’s®, Auntie Anne’s®, McAlister’s Deli®, Jamba® and on certain military bases and in certain international markets under the brand name of Seattle’s Best Coffee®.

The subsidiaries’ business revenues are primarily generated from:

- Franchise revenue including royalty and mix fees, development and franchise fees, licensing fees, rebates from certain vendors, and digital transaction fees;
- Company store, bakery, and restaurant (“Company SBRs”) revenue from the operations of SBR locations owned directly by certain of the Company’s subsidiaries;
- Franchise and other rental revenues from properties leased and subleased to certain franchisees and other third parties; and
- Advertising funds revenue including contributions from franchisees and Company SBRs, and rebates from certain vendors.

#### **Basis of Presentation**

All significant intercompany accounts and transactions have been eliminated in consolidation.

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

#### **Fiscal Year**

The Company operates on a fifty-two or fifty-three week fiscal year that ends on the last Sunday of the calendar year. The consolidated financial statements for the fiscal years ended December 26, 2021 and December 27, 2020 include fifty-two weeks.

#### **Cash and Cash Equivalents**

Cash and cash equivalents include highly liquid investments purchased with an original maturity of three months or less. As of December 26, 2021 and December 27, 2020, Cash and cash equivalents consists of funds on deposit with commercial banks and money market mutual fund accounts.

### **Restricted Cash and Cash Equivalents**

In accordance with the 2018 and 2017 securitization transactions (see Note 5), certain cash and money market mutual fund accounts were established in the name of a certain financial institution (the “Trustee”) for the benefit of the Trustee and the noteholders, or have been pledged to the Trustee, and are restricted in their use. The Company holds restricted cash comprised of the following: (i) cash collections and cash reserves held by the Trustee to be used for payments of principal, interest, and commitment fees required for the Company’s notes, and (ii) any other cash collections related to securitized franchising or licensing activities held in special-purpose, bankruptcy-remote subsidiaries. Changes in Cash and cash equivalents and Restricted cash and cash equivalents – securitization during the period are explained in total within the consolidated statements of cash flows.

### **Credit Risk**

The Company’s financial instruments that are exposed to concentrations of credit risk consist primarily of cash and cash equivalents and accounts receivable. The Company places its cash and cash equivalents and restricted cash and cash equivalents, which generally exceed federally insured limits, with high credit quality financial institutions or in money market funds that invest in U.S. Treasury bills, notes, or other obligations issued or guaranteed by the U.S. Government, its agencies, or instrumentalities, and repurchase agreements secured by such obligations or cash. The Company has not experienced any losses in such accounts.

Accounts receivable consists primarily of amounts due from franchisees and licensees for royalty fees and franchise fees, vendors, and gift card retailers. The financial condition of the franchisees and licensees is largely dependent upon the underlying business trends of the Company’s brands and market conditions within the quick service restaurant industry, both domestically and internationally. This concentration of credit risk is mitigated, in part, by the large number of franchisees and licensees of each brand and the short-term nature of the related receivables. As of December 26, 2021 and December 27, 2020, no individual franchisee or licensee accounted for more than 10% of total accounts and notes receivable. No individual franchisee or licensee accounted for more than 10% of total revenues for the fiscal years ended December 26, 2021 and December 27, 2020.

### **Accounts Receivable and Allowance for Doubtful Accounts**

Accounts receivable are primarily due from franchisees, vendors and licensees, and gift card retailers and are reflected in the consolidated financial statements at cost, net of allowance.

The Company determines the allowance for doubtful accounts based upon a specific review of outstanding customer balances and a general reserve based on the aging of customer accounts and write-off history. Accounts receivable are written off against the allowance for doubtful accounts when it is probable the receivable will not be recovered. The Company monitors the financial condition of its subsidiaries’ franchisees, licensees, and vendors and records provisions for estimated losses on receivables when the Company believes that its subsidiaries’ franchisees or licensees are unable to make their required payments. While the Company uses the best information available in making its determination, the ultimate recovery of recorded receivables is also dependent upon future economic events and other conditions that may be beyond the Company’s control.

### **Inventories**

Inventories are stated at the lower of cost or market. Cost is determined using the first-in, first-out (“FIFO”) method.

### Property, Equipment, Leasehold Improvements and Land

Property, equipment, and leasehold improvements are recorded at cost, less accumulated depreciation. Land is recorded at cost. Expenditures for major renewals and betterments that extend the useful lives of the related assets are capitalized. Expenditures for normal maintenance and repairs are expensed as incurred. Depreciation is computed on a straight-line basis using the following estimated useful lives:

|                                   | <b>Life</b>   |
|-----------------------------------|---|
| Buildings                         | 20-22 years   |
| Building improvements             | Shorter of the life of the building or up to 20 years |
| Furniture, fixtures and equipment | 2-15 years  |
| Computer software and hardware    | 3-5 years   |
| Leasehold improvements            | Lesser of useful life or lease term                   |

The Company records impairment losses on property, equipment, and leasehold improvements when events and circumstances indicate that the assets might be impaired and the undiscounted cash flows estimated to be generated by those assets are less than the carrying amounts of those assets. Assets determined to be impaired are written down to their estimated fair values using a discounted cash flow model including estimates of salvage values. No impairment losses were incurred for the fiscal year ended December 26, 2021. For the fiscal year ended December 27, 2020, the Company recognized impairment losses on property, equipment, and leasehold improvements on Company SBRs of \$447 within Other operating expense, net.

### Goodwill and Intangible Assets

Intangible assets consist primarily of goodwill, tradenames, reacquired franchise rights, and franchise agreements. The Company does not amortize goodwill or tradenames. Indefinite-lived intangible assets are evaluated for impairment on an annual basis for each of the subsidiaries which are franchisors and operators of the Company SBRs at year-end, or more frequently when circumstances arise indicating that a particular asset may be impaired.

The impairment evaluation for goodwill and other indefinite-lived intangible assets includes a comparison of the fair value of the subsidiaries which are franchisors and operators of the Company SBRs with their respective carrying value. Fair value is the amount for which the subsidiaries which are franchisors and operators of the Company SBRs could be sold in a current transaction between willing parties. The Company estimates fair value using multiple valuation methodologies, including discounted cash flow models. The operating assumptions used in the discounted cash flow models are generally consistent with past performance and with the projections and assumptions that are used in the Company's current operating plan. Such assumptions are subject to change as a result of changing economic and competitive conditions. If the fair value of the subsidiaries which are franchisors and operators of the Company SBRs is lower than the carrying value, goodwill is written down for the amount by which the carrying value exceeds the fair value. However, the loss recognized cannot exceed the carrying value of the goodwill. If the carrying value of an indefinite-lived intangible asset other than goodwill exceeds its fair value, the asset is written down to its fair value.

No impairment losses were recorded for intangible assets during the fiscal years ended December 26, 2021 and December 27, 2020.

### **Prepaid Expenses and Other Current Assets, and Long-Term Other Assets**

Prepaid expenses and other current assets primarily consists of prepayments of insurance and rent, vendor deposits that are expected to be charged to operations during the next fiscal year, and trade notes receivable. Long-term other assets primarily consists of prepayments of commissions, favorable leases and subleases (see Note 6), operating lease security deposits, utilities deposits, deferred receivables related to operating lease agreements pursuant to Accounting Standards Codification (“ASC”) 840 – *Leases* (“ASC 840”), and other investments. During the fiscal year ended December 26, 2021, the Company made an investment without a readily determinable fair value for \$2,000. As of December 26, 2021, the Company continues to value this investment at cost. For the fiscal year ended December 26, 2021, the Company realized a gain of \$2,388 within Other expense, net from the sale of a trading security.

### **Long-Term Other Liabilities**

Long-term other liabilities include unfavorable leases and subleases (see Note 6), deferred expenses pursuant to ASC 840 related to operating lease agreements, asset retirement obligations pursuant to ASC 410 – *Asset Retirement and Environmental Obligations* for the Company’s corporate offices and certain SBR locations, and the non-current portion of other lease liabilities.

### **Income Taxes**

The Company is included in the consolidated federal income tax return filed by the Parent and is party to an informal tax sharing agreement between the Parent and other members of the consolidated group. In accordance with ASC 740 – *Income Taxes* (“ASC 740”), the Company accounts for income taxes using the asset and liability method. Under this method, deferred income taxes are recognized for the tax consequences of “temporary differences” by applying enacted statutory tax rates applicable to future years to differences between the financial statement carrying amounts and the tax bases of existing assets and liabilities.

ASC 740 provides accounting guidance with respect to uncertain tax positions. A tax position is recognized as a benefit only if it is more likely than not that the tax position would be sustained in a tax examination, with a tax examination being presumed to occur. The amount recognized is the largest amount of tax benefit that has a greater than 50% cumulative likelihood of being realized on examination. For tax positions not meeting the “more likely than not” test, no tax benefit is recorded. The Company recognized no material amounts for uncertain tax positions during the fiscal years ended December 26, 2021 and December 27, 2020. The Company recognizes interest and penalties related to tax positions in Income tax expense.

ASC 740 also provides accounting guidance with respect to net operating loss carryforwards. Based on the evaluation of all available information, a net operating loss carryforward deferred tax asset is only recognized to the extent that realizing these benefits is considered more likely than not (see Note 9).

The Company is subject to state franchise taxes in certain states, which are based on either income or equity of the Company. Franchise tax expense is recorded in Selling, general and administrative expenses. The Company is also subject to withholding taxes in certain international jurisdictions.

### **Advertising**

Certain subsidiaries administer the national advertising funds on behalf of the brands’ franchise systems (collectively, the “Ad Funds”). The Ad Funds receive contributions from franchisees as required by their franchise agreements and the Company SBRs based upon a percentage of revenues, as well as rebates from certain vendors.

In addition to the Ad Funds they administer, these certain subsidiaries supervise the collection and distribution of local advertising funds on behalf of the brands' franchise systems (collectively, the "Local Funds"). Contributions collected from franchisees on behalf of the Local Funds managed by franchisee-directed local advertising groups ("Franchisee-Managed Local Funds") are returned to these funds, which spend the contributions on Company-approved marketing activities. Local Funds managed by the certain subsidiaries ("Company-Managed Local Funds") receive contributions from franchisees, and the Company administers the marketing spending on behalf of the franchisees.

In accordance with ASC 606 – *Revenue from Contracts with Customers* ("ASC 606"), the Ad Fund contributions, the Company-Managed Local Funds contributions, certain rebates, and the corresponding advertising expenses are reflected within the consolidated statements of operations as Advertising funds revenues and Advertising funds expenses, respectively. When cumulative revenues of the advertising funds exceed the related cumulative advertising expenses, advertising costs are accrued up to the amount of the cumulative surplus.

The Company records the billing, collection and subsequent distribution of the Franchisee-Managed Local Funds as pass-through transactions within Advertising funds assets and Advertising funds liabilities.

Advertising funds assets primarily consists of cash related to the advertising funds, accounts receivable from the franchise system and the Company SBRs for contributions to the Ad Funds and Local Funds, and vendor receivables.

Advertising funds liabilities consists primarily of accruals for future Ad Funds and Local Funds expenditures.

The Ad Funds and Company-Managed Local Funds transfer the cash received from contributions and rebates to a certain subsidiary that performs shared services functions on behalf of the Ad Funds and Company-Managed Local Funds. The certain subsidiary records and pays the amounts owed to vendors for the expenses incurred by the Ad Funds and Company-Managed Local Funds. Outstanding amounts owed to vendors by the certain subsidiary on behalf of the Ad Funds and Company-Managed Local Funds are recorded in Accounts payable as of December 26, 2021 and December 27, 2020.

The Company expenses all other advertising and marketing costs as incurred within Selling, general and administrative expenses. For the fiscal years ended December 26, 2021 and December 27, 2020, the Company expensed \$4,833 and \$3,177, respectively, in advertising and marketing costs.

### **Revenue Recognition**

Revenue is recognized in accordance with a five-step revenue model, as follows: identifying the contract with the customer; identifying the performance obligations in the contract; determining the transaction price; allocating the transaction price to the performance obligations; and recognizing revenue when (or as) the entity satisfies a performance obligation. In applying this five-step model, the Company determined that the franchise right granted for each individual SBR within an arrangement represents a single performance obligation. Therefore, all consideration within the contract is allocated to the franchise right and recognized over the term of the franchise agreement.

Franchise revenues consists of revenues from franchising activities and are recognized based on the terms of the underlying franchise agreements in accordance with ASC 606. Revenues from franchising activities include development fees associated with a franchisee's planned development of a specified number of SBRs within a defined geographic territory, franchise fees associated with open SBR locations, ongoing royalty fees which are typically based on a percentage of the individual franchisee sales, rebates from certain vendors, product licensing revenues, and digital transaction fees.

Development fees are recorded as deferred franchise revenue when received and are recognized as revenue on a straight-line basis over the term of each underlying franchise agreement satisfying the development obligation, commencing when the SBR is opened.



Franchise fees are recorded as deferred revenue when received and are recognized as revenue on a straight-line basis over the term of each respective franchise agreement, commencing when the SBR covered by the fees is opened. Cash collected prior to substantial performance by the respective subsidiary is deferred until the revenue recognition criteria are met.

The Company applies the sales-based royalty exception under ASC 606 and accordingly recognizes royalty fees, rebates from certain vendors, licensing revenues, and digital transaction fees as they are earned by the subsidiaries.

Certain franchisees are required to purchase ice cream mix from a certain subsidiary's approved distributors, who in turn source the ice cream mix from that subsidiary's approved manufacturers. Ice cream mix revenues are recognized upon the sale of ice cream mix based upon the respective agreements with the manufacturers, distributors and the franchisees.

Company SBR revenues are recognized at the point of sale to the end customer, which is when the SBRs' performance obligation is satisfied. The Company presents revenues net of sales taxes collected from customers.

Franchise and other rental revenues includes rental revenue from properties leased and subleased to certain franchisees and other third parties. Base rental revenue is recognized on a straight-line basis over the lease term and contingent rental revenue is recognized as earned in accordance with ASC 840 (see Note 6).

Advertising funds revenues are primarily comprised of contributions from franchisees and Company SBRs and rebates from certain vendors, and are recognized as they are earned by the subsidiaries in accordance with the sales-based royalty exception under ASC 606.

### **Gift Card Program**

Certain subsidiaries administer gift card programs on behalf of the franchise systems. The Company records a liability in the period in which a gift card is issued, and this liability is the sole responsibility of those subsidiaries. As gift cards are redeemed, the liability is reduced and cash is paid to the redeeming SBR.

The Company recognizes breakage income from gift cards in proportion to actual gift card redemptions based on historical redemption rates.

### **Stock Compensation**

The Parent grants stock options for a fixed number of shares to key employees and certain non-employee directors. The Company accounts for stock options in accordance with ASC 718 – *Compensation – Stock Compensation* (“ASC 718”). ASC 718 requires compensation expense related to share based payments, including stock options and other equity awards, to be measured based on the grant date fair value of the award.

### **Fair Value Measurements**

The guidance for fair value measurements establishes the authoritative definition for fair value, sets out a framework for measuring fair value and outlines the required disclosures regarding fair value measurements. Fair value is the price that would be received to sell an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants at the measurement date. The Company uses a three-tier fair value hierarchy based upon observable and non-observable inputs as follows:

- Level 1: Quoted market prices in active markets for identical assets or liabilities.
- Level 2: Inputs other than Level 1 that are either directly or indirectly observable.
- Level 3: Unobservable inputs developed using the Company's estimates and assumptions which reflect those that market participants would use.

At December 26, 2021 and December 27, 2020, the Company had no financial instruments that are measured at fair value.

### Recently Issued Accounting Guidance

In February 2016, the Financial Accounting Standards Board (“FASB”) issued ASC 842 – *Leases* (“ASC 842”) requiring a lessee to recognize assets and liabilities on the balance sheet for those leases classified as operating leases under previous guidance. The FASB has also issued various amendments which provide additional clarification and implementation guidance on ASC 842. The effective date and transition requirements for ASC 842 and amendments is for fiscal years beginning after December 15, 2021. The Company expects to adopt this new guidance effective December 27, 2021 using the modified retrospective approach, whereby an entity records a cumulative adjustment to opening retained earnings in the year of adoption without restating prior periods. The adoption of ASC 842 is expected to have a material impact on the Company’s consolidated balance sheet.

In August 2018, the FASB issued ASU No. 2018-15 – *Intangibles – Goodwill and Other – Internal-Use Software (Subtopic 350-40): Customer’s Accounting for Implementation Costs Incurred in a Cloud Computing Arrangement That Is a Service Contract*. This guidance aligns the requirements for capitalizing implementation costs in cloud computing arrangements with the requirements for capitalizing implementation costs to develop or obtain internal-use software. The Company adopted this standard on December 28, 2020 on a prospective basis. The adoption did not have a material impact on the Company’s consolidated financial statements.

In January 2021, the FASB issued final guidance that provides a practical expedient for private company franchisors to account for certain pre-opening services provided to a franchisee as separate performance obligation(s) distinct from the franchise right. Franchisors who apply this practical expedient can potentially recognize the fees associated with these pre-opening services up-front. For private company franchisors that have already adopted ASC 606, the guidance was effective in annual periods beginning after December 15, 2020 and interim periods therein. The Company did not adopt this practical expedient.

### Subsequent Events

The Company discloses material events that occur after the balance sheet date but before financial statements are issued. In general, these events are recognized in the financial statements if the condition existed at the date of the balance sheet, but are not recognized if the condition did not exist at the balance sheet date. The Company discloses non-recognized events if required to keep the financial statements from being misleading. Management evaluated events occurring subsequent to December 26, 2021 through February 28, 2022, the date these consolidated financial statements were available for issuance and determined that no subsequent event disclosures were required.

## 2 Revenue

The Company recognizes franchise revenues, Company SBR revenues, rental revenues, and advertising funds revenues as the related performance obligations are satisfied.

The Company generally recognizes revenue associated with franchise and development fees of open SBRs over time. Royalties, rebates from certain vendors, licensing fees, digital transaction fees, Company SBR revenues, and advertising funds revenues are generally recognized at a point in time.

Franchise revenues are disaggregated by the timing of recognition as follows:

| <b>For the fiscal years ended:</b>              | <b>December 26,<br/>2021</b> | <b>December 27,<br/>2020</b> |
|---|------------------------------|------------------------------|
| Franchise revenues satisfied over time          | \$ 3,946                     | \$ 3,519                     |
| Franchise revenues satisfied at a point in time | 258,723                      | 196,099                      |
| <b>Total franchise revenues</b>                 | <b>\$ 262,669</b>            | <b>\$ 199,618</b>            |

Changes in deferred franchise fees and deferred development fees are as follows:

| <b>For the fiscal years ended:</b>              | <b>December 26,<br/>2021</b> | <b>December 27,<br/>2020</b> |
|---|------------------------------|------------------------------|
| Deferred revenue at the beginning of the period | \$ 56,881                    | \$ 57,725                    |
| Revenue recognized during the period            | (9,578)                      | (7,601)                      |
| Deferrals due to cash received and other        | 10,572                       | 6,757                        |
| <b>Deferred revenue</b>                         | <b>\$ 57,875</b>             | <b>\$ 56,881</b>             |

The Company expects to recognize revenue in the future related to performance obligations that are partially satisfied as of the end of the period:

| <b>For the fiscal years:</b>          |                  |
|---------------------------------------|------------------|
| 2022                                  | \$ 3,092         |
| 2023                                  | 3,019            |
| 2024                                  | 2,738            |
| 2025                                  | 2,491            |
| 2026                                  | 2,216            |
| Thereafter                            | 18,352           |
| <b>Deferred revenue for open SBRs</b> | <b>\$ 31,908</b> |

Deferred revenue of \$25,967 relates to the unsatisfied future performance obligations associated with unopened SBRs and is not included within the table above. The Company anticipates recognizing revenue over the terms of the respective franchise agreements, which are typically 10-20 years, once the related SBRs are opened.

### 3 Property, Equipment, Leasehold Improvements and Land

Property, equipment, leasehold improvements and land, net consists of the following:

| <b>For the fiscal years ended:</b>                               | <b>December 26,<br/>2021</b> | <b>December 27,<br/>2020</b> |
|--|------------------------------|------------------------------|
| Buildings  | \$ 11,296                    | \$ 12,513                    |
| Furniture, fixtures and equipment                                | 53,077                       | 52,831                       |
| Leasehold improvements   | 29,270                       | 29,289                       |
| Assets held for lease  | 4,484                        | 4,588                        |
| Construction in progress   | 5,962                        | 874                          |
| Total property, equipment and leasehold improvements             | 104,089                      | 100,095                      |
| Accumulated depreciation and amortization                        | (77,062)                     | (73,299)                     |
| Property, equipment and leasehold improvements, net              | 27,027                       | 26,796                       |
| Land   | 7,495                        | 7,785                        |
| <b>Property, equipment, leasehold improvements and land, net</b> | <b>\$ 34,522</b>             | <b>\$ 34,581</b>             |

Depreciation and amortization of property, equipment and leasehold improvements totaled \$10,352 and \$10,935 for the fiscal years ended December 26, 2021 and December 27, 2020, respectively. Assets held for lease is largely comprised of satellite SBRs that the Company leases to certain franchisees under month-to-month operating lease agreements.

### 4 Intangible Assets

Intangible assets, net at December 26, 2021 consists of the following:

|                                      | <b>Weighted<br/>average<br/>amortization<br/>period<br/>(years)</b> | <b>Gross<br/>carrying<br/>amount</b> | <b>Accumulated<br/>amortization</b> | <b>Net<br/>carrying<br/>amount</b> |
|--------------------------------------|---|--------------------------------------|-------------------------------------|------------------------------------|
| <b>Definite-lived intangibles:</b>   |   |                                      |                                     |                                    |
| Franchise agreements                 | 13  | \$ 56,310                            | \$ (43,534)                         | \$ 12,776                          |
| Reacquired franchise rights          | 11  | 2,845                                | (1,363)                             | 1,482                              |
| <b>Indefinite-lived intangibles:</b> |   |                                      |                                     |                                    |
| Tradenames                           | n/a   | 484,523                              | n/a                                 | 484,523                            |
|                                      |   | <b>\$ 543,678</b>                    | <b>\$ (44,897)</b>                  | <b>\$ 498,781</b>                  |

Intangible assets, net at December 27, 2020 consists of the following:

|                                      | Weighted<br>average<br>amortization<br>period<br>(years) | Gross<br>carrying<br>amount | Accumulated<br>amortization | Net<br>carrying<br>amount |
|--------------------------------------|--|-----------------------------|-----------------------------|---------------------------|
| <b>Definite-lived intangibles:</b>   |  |                             |                             |                           |
| Franchise agreements                 | 13   | \$ 56,310                   | \$ (39,649)                 | \$ 16,661                 |
| Reacquired franchise rights          | 10   | 2,873                       | (1,495)                     | 1,378                     |
| <b>Indefinite-lived intangibles:</b> |  |                             |                             |                           |
| Tradenames                           | n/a  | 484,523                     | n/a                         | 484,523                   |
|                                      |  | <b>\$ 543,706</b>           | <b>\$ (41,144)</b>          | <b>\$ 502,562</b>         |

Amortization expense of definite-lived intangible assets totaled \$4,248 and \$4,452 for the fiscal years ended December 26, 2021 and December 27, 2020, respectively.

Estimated future amortization expense for each of the next five years is as follows:

| <b>For the fiscal years:</b> |          |
|------------------------------|----------|
| 2022                         | \$ 3,387 |
| 2023                         | 1,591    |
| 2024                         | 1,574    |
| 2025                         | 1,452    |
| 2026                         | 1,285    |

## **5 Long-Term Debt**

### **Restructuring**

On January 17, 2020, the Company completed a restructuring whereby Carvel Funding LLC (“Carvel Funding”) and McAlister’s Funding LLC (“McAlister’s Funding”) merged with and into FOCUS Brands Funding LLC (the “Master Issuer”).

### **Series 2018-1 Notes**

On October 29, 2018, the Master Issuer, Carvel Funding, McAlister’s Funding, and Jamba Juice Funding LLC (“Jamba Juice Funding”, and collectively with the Master Issuer, Carvel Funding, and McAlister’s Funding, the “Co-Issuers” and each, a “Co-Issuer”), limited-purpose, bankruptcy-remote, wholly owned indirect subsidiaries of FBHI, pursuant to the base indenture dated as of April 6, 2017 (as amended, supplemented or otherwise modified through October 29, 2018, the “Base Indenture”) and a series supplement thereto (collectively with the Base Indenture, the “Indenture”), issued \$300,000 of Series 2018-1 5.184% Fixed Rate Senior Secured Notes, Class A-2 (the “Series 2018-1 Notes”).

Borrowings under the Series 2018-1 Notes bear interest at a fixed rate equal to 5.184%. Interest and principal payments on the Series 2018-1 Notes are due on a quarterly basis. The requirement to make such quarterly principal payments on the Series 2018-1 Notes is subject to certain financial conditions set forth in the Indenture. The legal final maturity date of the Series 2018-1 Notes is in October 2048. Unless earlier prepaid to the extent permitted, the Indenture provides for an anticipated repayment date in October 2025 for the Series 2018-1 Notes. If the Co-Issuers have not repaid or refinanced the Series 2018-1 Notes prior to the anticipated repayment date, additional interest will accrue pursuant to the Indenture.

Debt issuance costs of \$7,167 were recorded as a reduction of Long-term debt in connection with the issuance of the Series 2018-1 Notes. The debt issuance costs are being amortized to Interest expense, net through the anticipated repayment date utilizing the effective interest rate method.

### **Series 2017-1 Notes**

In conjunction with the securitization transaction completed on April 6, 2017 (see “Securitization” section), the Master Issuer, Carvel Funding, and McAlister’s Funding (collectively, the “Original Co-Issuers”), limited-purpose, bankruptcy-remote, wholly owned indirect subsidiaries of FBHI, entered into a base indenture under which the Original Co-Issuers issued \$200,000 of Series 2017-1 3.857% Fixed Rate Senior Secured Notes, Class A-2-I (the “Class A-2-I Notes”) and \$400,000 of Series 2017-1 5.093% Fixed Rate Senior Secured Notes, Class A-2-II (the “Class A-2-II Notes”) and collectively with the Class A-2-I Notes, the “Class A-2 Notes”). In addition, the Original Co-Issuers entered into a revolving financing facility of Series 2017-1 Variable Funding Senior Notes, Class A-1 (the “Variable Funding Notes”) and, together with the Class A-2 Notes, the “Series 2017-1 Notes”), which allowed the Original Co-Issuers, and subsequently allows the Co-Issuers, to borrow up to \$200,000 on a revolving basis. The Variable Funding Notes may also be used to issue letters of credit.

Effective October 29, 2018, the Indenture added Jamba Juice Funding as a Co-Issuer of the Series 2017-1 Notes. Borrowings under the Class A-2-I and Class A-2-II Notes bear interest at a fixed rate equal to 3.857% and 5.093%, respectively. Interest and principal payments on the Class A-2 Notes are due on a quarterly basis. The requirement to make such quarterly principal payments on the Class A-2 Notes is subject to certain financial conditions set forth in the Indenture. The legal final maturity date of the Series 2017-1 Notes is in April 2047. Unless earlier prepaid to the extent permitted, the Indenture provided for an anticipated repayment date in April 2021 for the Class A-2-I Notes and provides for an anticipated repayment date in April 2027 for the Class A-2-II Notes. The Indenture provides for a renewal date of the Variable Funding Notes in April 2023 (the “Renewal Date”). The Renewal Date was extended from April 2022 in connection with the issuance of the Series 2018-1 Notes.

On March 18, 2021, the Co-Issuers completed a consent solicitation in relation to the Class A-2-I Notes (the “Consent Solicitation”). The purpose of the Consent Solicitation was to seek consent from holders (the “Holders”) of the Class A-2-I Notes to certain proposed amendments (the “Amendments”), including the extension of the Series 2017-1 anticipated repayment date for the Class A-2-I Notes to April 30, 2024. The Co-Issuers received consents from Holders of \$186,942 in aggregate principal amount outstanding of its Class A-2-I Notes, representing 97.11% of the total principal amount outstanding of \$192,500. The Class A-2-I Notes of all consenting Holders became Series 2017-1 3.857% Fixed Rate Senior Secured Notes, Class A-2-I-B (the “Amended Notes”). The Company paid the non-consenting Holders \$5,558 in principal on the Class A-2-I Notes prior to the April 30, 2021 repayment date. The Company expensed \$3,512 in professional fees and \$78 in unamortized debt issuance costs within Other expense, net in connection with the Consent Solicitation.

Debt discount costs of \$1,398 were recorded as a reduction of Long-term debt in connection with the issuance of the Amended Notes. The debt discount costs are being amortized to Interest expense, net through the anticipated repayment date utilizing the effective interest rate method.

If the Co-Issuers have not repaid or refinanced the Series 2018-1 and Series 2017-1 Notes prior to the respective anticipated repayment dates and Renewal Date, additional interest will accrue pursuant to the Indenture. The Co-Issuers paid \$8,957 and \$9,000 of principal payments during the fiscal years ended December 26, 2021 and December 27, 2020, respectively.

Advances under the Variable Funding Notes bear interest at a variable rate based on (i) the prime rate, (ii) the federal funds rate, (iii) the London interbank offered rate for U.S. Dollars, or (iv) with respect to advances made by conduit investors through the issuance of commercial paper, the commercial paper rate applicable to such conduit investor, plus, in each case, any applicable margin as defined in the base indenture supplement for the Series 2017-1 Notes. The Variable Funding Notes are subject to (i) certain commitment fees in respect of the unutilized portion of the commitments of the investors thereunder, and (ii) certain fees in respect of letters of credit issued thereunder. On March 23, 2020, the Co-Issuers borrowed \$188,440 under the Variable Funding Notes as a precautionary measure given the market uncertainty arising from the global spread of the coronavirus pandemic and to further strengthen its financial flexibility. The Co-Issuers repaid all borrowings on June 2, 2020. Letters of credit outstanding under the Variable Funding Notes, including \$11,250 of an interest reserve letter of credit issued in connection with the Series 2018-1 Notes, were \$11,356 and \$11,561 as of December 26, 2021 and December 27, 2020, respectively. The Company does not expect any material loss from these letters of credit because the Company does not believe that any amounts will be drawn thereunder by the beneficiaries thereof. No other borrowings were outstanding against the Variable Funding Notes as of December 26, 2021 or December 27, 2020.

Debt issuance costs of \$14,054 were recorded as a reduction of Long-term debt in connection with the issuance of the Series 2017-1 Notes. The debt issuance costs are being amortized to Interest expense, net through the anticipated repayment dates utilizing the effective interest rate method.

The Series 2018-1 and Series 2017-1 Notes (collectively, the “Notes”) are subject to a series of covenants and restrictions customary for transactions of this type, including (i) debt service coverage ratios and senior leverage ratios, as defined, (ii) the maintenance of specified reserve accounts to be used to make required payments in respect of the Notes, and (iii) provisions relating to optional and mandatory prepayments, including certain make-whole payments. The Notes are also subject to customary rapid amortization events provided for in the Indenture and customary events of default. As of December 26, 2021, the Company was in compliance with all such covenants.

### **Securitization**

On October 29, 2018, the Co-Issuers entered into a securitization transaction pursuant to which certain recently acquired franchise agreements, development agreements, rights to develop and expand substantially all franchising and licensing activities and intellectual property, including trademarks, were contributed by an indirect subsidiary of the Company to a certain Co-Issuer and a limited-purpose, bankruptcy-remote, wholly owned and direct subsidiary of the certain Co-Issuer. Since the certain Co-Issuer and its direct subsidiary are under common control, the contributions were recorded at book value.

On April 6, 2017, the Original Co-Issuers entered into a securitization transaction pursuant to which certain franchise agreements, development agreements, rights to develop and expand substantially all franchising and licensing activities and intellectual property, including trademarks, were contributed by various indirect subsidiaries of the Company to the Original Co-Issuers and certain other limited-purpose, bankruptcy-remote, wholly owned and indirect subsidiaries of the Original Co-Issuers. Since the Original Co-Issuers and the indirect subsidiaries of the Original Co-Issuers are under common control, the contributions were recorded at book value.

The Co-Issuers, their direct parents, as well as the Co-Issuers’ direct and indirect subsidiaries (collectively, the “Guarantors”) are special-purpose, bankruptcy-remote, indirect wholly owned subsidiaries of the Company that hold substantially all of the intellectual property and franchising-related assets. The Notes are secured by substantially all of the assets of the Guarantors. Each Guarantor is a separate entity and has separate creditors (from the Company and any of its non-Guarantor affiliates), and such Guarantor owns all of its assets.

Other than the Guarantors, neither the Company nor any of its other direct or indirect subsidiaries guarantees or is in any way liable for the obligations under the Notes. FBLLC has, however, agreed to cause the performance of certain obligations of the Guarantors in return for a management fee under the terms of a Management Agreement (the “Management Agreement”).

FBLLC manages and services the Guarantors’ assets in its capacity as the manager under the Management Agreement. The primary responsibilities of the manager are to administer collections and otherwise manage the managed assets on behalf of the Guarantors, and to perform certain franchising, intellectual property and operational and reporting services on behalf of the Guarantors with respect to the managed assets.

#### Future Principal Payments on Long-Term Debt

The annual principal payment requirements for long-term debt based on the anticipated repayment dates of the Notes, subject to certain financial conditions set forth in the Indenture, are as follows:

| <b>For the fiscal years:</b>                |           |                |
|---|-----------|----------------|
| 2022  | \$        | 8,942          |
| 2023  |           | 8,942          |
| 2024  |           | 188,600        |
| 2025  |           | 286,000        |
| 2026  |           | 4,000          |
| Thereafter                                  |           | 362,000        |
| <b>Total</b>                                |           | <b>858,484</b> |
| Less: Debt discount and debt issuance costs |           | (11,844)       |
| Debt less discount and issuance costs       |           | 846,640        |
| Less: Current portion                       |           | (8,942)        |
| <b>Long-term debt</b>                       | <b>\$</b> | <b>837,698</b> |

Interest expense, net consists of the following:

|                                     | <b>December 26,    December 27,</b> |                     |
|-------------------------------------|-------------------------------------|---------------------|
| <b>For the fiscal years ended:</b>  | <b>2021                    2020</b> |                     |
| Credit facilities                   | \$    43,032                        | \$    44,342        |
| Amortization of debt discount       | 376                                 | -                   |
| Amortization of debt issuance costs | 2,450                               | 2,510               |
| Interest income                     | (189)                               | (690)               |
| Other                               | 180                                 | 217                 |
| <b>Interest expense, net</b>        | <b>\$    45,849</b>                 | <b>\$    46,379</b> |



## 6 Operating Leases

Certain Company offices and SBRs are located on leased properties with initial terms expiring at various years through 2041, subject to renewal provisions in certain of the lease agreements. Most of the Company's leases are fixed rent agreements and require the Company to pay related executory costs which include property taxes, maintenance and insurance.

Certain leases for SBRs require the payment of additional contingent rent that is based upon a percentage of SBR sales above agreed upon sales levels for the year in excess of the amounts as set forth in the lease agreements. These sales levels vary for each SBR and are established in the lease agreements. The Company recognizes contingent rental expense prior to the achievement of the specified target that triggers the contingent rental expense, provided that achievement of that target is considered probable.

Future minimum lease payments, receipts, and other obligations by year, and in the aggregate, under non-cancelable operating leases and subleases or other arrangements with initial or remaining terms in excess of one year are as follows:

| <b>For the fiscal years:</b>                   | <b>Payments -</b> |                | <b>Receipts -</b> |                 | <b>Net leases</b> |
|--|-------------------|----------------|-------------------|-----------------|-------------------|
|  | <b>Operating</b>  |                | <b>Subleases</b>  |                 |                   |
|  | <b>leases</b>     |                | <b>Subleases</b>  |                 |                   |
| 2022   | \$                | 20,627         | \$                | (11,734)        | \$ 8,893          |
| 2023   |                   | 16,424         |                   | (8,856)         | 7,568             |
| 2024   |                   | 13,355         |                   | (6,322)         | 7,033             |
| 2025   |                   | 10,453         |                   | (3,603)         | 6,850             |
| 2026   |                   | 8,455          |                   | (2,391)         | 6,064             |
| Thereafter                                     |                   | 33,096         |                   | (2,826)         | 30,270            |
| <b>Total future minimum rental commitments</b> | <b>\$</b>         | <b>102,410</b> | <b>\$</b>         | <b>(35,732)</b> | <b>\$ 66,678</b>  |

Rental expense recognized on a straight line basis, on a contingent rent basis, and under ASC 420 – *Exit or Disposal Obligations* (“ASC 420”) for operating leases was as follows:

| <b>For the fiscal years ended:</b>                | <b>December 26,</b> |               | <b>December 27,</b> |               |
|---|---------------------|---------------|---------------------|---------------|
|   | <b>2021</b>         |               | <b>2020</b>         |               |
| Base rentals                                      | \$                  | 22,719        | \$                  | 25,306        |
| Contingent rentals                                |                     | 95            |                     | 27            |
| Rental expense recognized under ASC 420           |                     | 587           |                     | 2,276         |
| Favorable and unfavorable lease amortization, net |                     | (932)         |                     | (1,115)       |
| <b>Total rental expense</b>                       | <b>\$</b>           | <b>22,469</b> | <b>\$</b>           | <b>26,494</b> |

Of these amounts, rental expense related to subleased SBR and office locations was \$12,616 and \$15,060 for the fiscal years ended December 26, 2021 and December 27, 2020, respectively, and is presented in the consolidated statements of operations as Franchise and other rental expense.

Rental revenues recognized on a straight line basis and on a contingent rent basis for operating leases was as follows:

| <b>For the fiscal years ended:</b>                   | <b>December 26,<br/>2021</b> | <b>December 27,<br/>2020</b> |
|--|------------------------------|------------------------------|
| Base rentals   | \$ 13,988                    | \$ 16,800                    |
| Contingent rentals                                   | 85                           | 118                          |
| Favorable and unfavorable sublease amortization, net | (932)                        | (1,115)                      |
| <b>Total rental revenues</b>                         | <b>\$ 13,141</b>             | <b>\$ 15,803</b>             |

As required by ASC 805 – *Business Combinations*, the Company evaluated leases in place at the date of its acquisition of Jamba, Inc. to determine if the terms are favorable or unfavorable compared to current market conditions. Lease and sublease terms that are favorable compared to market conditions at the date of acquisition are recorded as long-term assets (“favorable leases” and “favorable subleases”, respectively). Lease and sublease terms that are unfavorable compared to market conditions at the date of acquisition are recorded as long-term liabilities (“unfavorable leases” and “unfavorable subleases”, respectively). As of December 26, 2021 and December 27, 2020, favorable lease and sublease assets of \$2,519 and \$4,093, respectively, were recorded in Long-term other assets. As of December 26, 2021 and December 27, 2020, unfavorable lease and sublease liabilities of \$2,519 and \$4,093, respectively, were recorded in Long-term other liabilities.

The increase in rental expense from the amortization of the favorable lease assets and the (decrease) in rental expense from the amortization of the unfavorable lease liabilities, and the (increase) in rental revenues from the amortization of the favorable sublease liabilities and the decrease in rental revenues from the amortization of the unfavorable sublease assets over the next five years and thereafter are as follows:

| <b>For the fiscal years:</b>          | <b>Rental expense amortization</b> |                               |                   | <b>Rental revenues amortization</b> |                                  |                 |
|---------------------------------------|------------------------------------|-------------------------------|-------------------|-------------------------------------|----------------------------------|-----------------|
|                                       | <b>Favorable<br/>leases</b>        | <b>Unfavorable<br/>leases</b> | <b>Net</b>        | <b>Favorable<br/>subleases</b>      | <b>Unfavorable<br/>subleases</b> | <b>Net</b>      |
| 2022                                  | \$ 233                             | \$ (954)                      | \$ (721)          | \$ 954                              | \$ (233)                         | \$ 721          |
| 2023                                  | 143                                | (591)                         | (448)             | 591                                 | (143)                            | 448             |
| 2024                                  | 118                                | (281)                         | (163)             | 281                                 | (118)                            | 163             |
| 2025                                  | 63                                 | (73)                          | (10)              | 73                                  | (63)                             | 10              |
| 2026                                  | 8                                  | (36)                          | (28)              | 36                                  | (8)                              | 28              |
| Thereafter                            | 5                                  | (14)                          | (9)               | 14                                  | (5)                              | 9               |
| <b>Total future amortization, net</b> | <b>\$ 570</b>                      | <b>\$ (1,949)</b>             | <b>\$ (1,379)</b> | <b>\$ 1,949</b>                     | <b>\$ (570)</b>                  | <b>\$ 1,379</b> |

## 7 Stock Compensation

The Parent issues equity incentive grants under the 2013 Stock Option Plan (the “2013 Plan”). Prior to the 2013 Plan, equity incentive grants were issued under the 2002 Incentive Stock Plan (collectively with the 2013 Plan, the “Focus Plans”). The 2013 Plan authorizes the granting of options to purchase common stock of the Parent and was established in order to attract and retain eligible employees, directors and consultants and to provide an additional incentive to each eligible employee, director and consultant to work to increase the value of the Parent’s common stock. The 2013 Plan is administered by the Board of Directors of the Parent (the “Board”). The Board has the authority to determine the amount of options granted to any individual, the dates on which each option will become exercisable, and the exercise price of all options subject to certain limitations in the 2013 Plan. As of December 26, 2021, there were 80,357 options available for issuance under the 2013 Plan.

The option vesting periods range from immediate vesting to a five-year vesting period, with accelerated vesting in the event of a change in control under certain circumstances, as defined in the Focus Plans. In addition, certain options have vesting requirements based upon achieving certain operating results. The options expire 10 years from the date of grant or in the event of a change in control under certain circumstances, as defined in the Focus Plans.

The weighted average grant date fair value of options granted during the fiscal years ended December 26, 2021 and December 27, 2020 was \$91.18 and \$74.39, respectively, per option.

Stock option activity for all plans for the fiscal years ended December 26, 2021 and December 27, 2020 was as follows:

|   | Number of shares | Weighted average<br>exercise price |
|---|------------------|------------------------------------|
| <b>Outstanding at December 29, 2019</b> | <b>169,458</b>   | <b>\$ 159.33</b>                   |
| Granted                                 | 46,050           | 246.00                             |
| Exercised                               | -                | -                                  |
| Forfeited or expired                    | (29,717)         | 150.83                             |
| <b>Outstanding at December 27, 2020</b> | <b>185,791</b>   | <b>182.17</b>                      |
| Granted                                 | 7,900            | 246.00                             |
| Exercised                               | (6,783)          | 174.20                             |
| Forfeited or expired                    | (42,767)         | 200.71                             |
| <b>Outstanding at December 26, 2021</b> | <b>144,141</b>   | <b>\$ 180.54</b>                   |

| Options outstanding                   |                       |   | Options exercisable                   |                       |
|---------------------------------------|-----------------------|---|---------------------------------------|-----------------------|
| Weighted<br>average<br>exercise price | Shares<br>outstanding | Weighted average<br>remaining<br>contractual life (years) | Weighted<br>average<br>exercise price | Shares<br>outstanding |
| \$ 180.54                             | 144,141               | 5.06  | \$ 146.48                             | 78,118                |

The fair value of options granted is estimated on the date of grant using the Black-Scholes option pricing model based on the assumptions in the table below:

| <b>For the fiscal years ended:</b> | <b>December 26,<br/>2021</b> | <b>December 27,<br/>2020</b> |
|------------------------------------|------------------------------|------------------------------|
| Expected life (years)              | 5                            | 5                            |
| Interest rate                      | 0.72%                        | 1.38%                        |
| Volatility                         | 41.71%                       | 32.10%                       |
| Dividend yield                     | 0.00%                        | 0.00%                        |

The expected term of the options is based on evaluations of historical and expected future employee exercise behavior. The risk-free interest rate is based on the U.S. Treasury rates at the date of grant with maturity dates approximately equal to the expected life at the grant date. Volatility is based on the historical volatility of several public entities that are similar to the Parent as the Parent does not have sufficient historical transactions of its own shares on which to base expected volatility. As of December 26, 2021, the Parent does not intend to pay dividends or distributions in the future.

The Company recognizes compensation expense for awards with graded vesting on a straight-line basis over the requisite service period for each separately vesting portion of the award. Compensation expense (income), net of adjustments for certain awards that were no longer probable of achievement, was \$912 and (\$1,710) for the fiscal years ended December 26, 2021 and December 27, 2020, respectively. The total compensation expense related to unvested awards not yet recognized in the financial statements is \$1,460. This amount will be recognized as expense through 2026.

The Company administers substantially all operational activities on behalf of the Parent, and as a result, stock-based compensation expense is recorded in the consolidated financial statements of the Company. Additionally, cash consideration from the exercise of options and other equity instruments and the excess tax benefit of stock options exercised are typically contributed to the Company by the Parent. During the fiscal year ended December 26, 2021, the Parent contributed capital to the Company totaling \$1,182, which consisted of cash consideration received for the exercise of 6,783 options into an equivalent number of shares of the Parent's common stock. During the fiscal year ended December 27, 2020, no options were exercised by holders of the Parent's stock options.

## **8 Employee Benefits**

The Company sponsors a 401(k) Plan (the "401(k) Plan"). Employees can participate in the 401(k) Plan upon commencement of employment. The 401(k) Plan is available to substantially all salaried employees and to certain groups of hourly employees. Company contributions to the 401(k) Plan are based on a percentage of the employee contributions and are immediately vested. Employer contributions to the 401(k) Plan were \$2,236 and \$1,894 for the fiscal years ended December 26, 2021 and December 27, 2020, respectively.

## 9 Income Taxes

Components of the provision for income taxes are as follows:

| <b>For the fiscal years ended:</b> | <b>December 26,<br/>2021</b> | <b>December 27,<br/>2020</b> |
|------------------------------------|------------------------------|------------------------------|
| <b>Current:</b>                    |                              |                              |
| Federal                            | \$ 4,732                     | \$ (1,789)                   |
| State                              | 2,437                        | (802)                        |
| Foreign                            | 1,633                        | 1,294                        |
| <b>Deferred:</b>                   |                              |                              |
| Federal                            | 7,667                        | 9,755                        |
| State                              | 121                          | (244)                        |
| <b>Income tax expense</b>          | <b>\$ 16,590</b>             | <b>\$ 8,214</b>              |

The reconciliation between the statutory income tax rate and the effective income tax rate is as follows:

| <b>For the fiscal years ended:</b>            | <b>December 26,<br/>2021</b> | <b>December 27,<br/>2020</b> |
|---|------------------------------|------------------------------|
| Statutory rate                                | 21.0 %                       | 21.0 %                       |
| State income tax, net of federal tax effect   | 2.7                          | 2.0                          |
| Foreign income tax, net of federal tax effect | 2.1                          | 3.1                          |
| Change in state rate, net                     | -                            | (4.3)                        |
| Foreign tax credits                           | (2.2)                        | (4.2)                        |
| Permanent differences                         | (1.5)                        | (0.6)                        |
| Other differences, net                        | (0.4)                        | 2.7                          |
| <b>Effective tax rate</b>                     | <b>21.7 %</b>                | <b>19.7 %</b>                |

Significant components of the Company's deferred tax (liabilities) assets are as follows:

| <b>For the fiscal years ended:</b>              | <b>December 26,<br/>2021</b> | <b>December 27,<br/>2020</b> |
|---|------------------------------|------------------------------|
| <b>Deferred tax liabilities:</b>                |                              |                              |
| Intangible assets                               | \$ (124,965)                 | \$ (120,600)                 |
| Prepaid costs and expenses                      | (2,164)                      | (1,502)                      |
| Depreciable assets                              | (678)                        | (483)                        |
| Other   | (14)                         | (164)                        |
| <b>Total deferred tax liabilities</b>           | <b>(127,821)</b>             | <b>(122,749)</b>             |
| <b>Deferred tax assets:</b>                     |                              |                              |
| Net operating loss and tax credit carryforwards | 29,560                       | 34,429                       |
| Reserves and allowances                         | 1,976                        | 3,555                        |
| Accrued expenses                                | 8,962                        | 6,051                        |
| Deferred revenue                                | 13,091                       | 14,191                       |
| Transaction costs                               | 46                           | 102                          |
| Interest limitation carryforward                | 1,327                        | -                            |
| Interest expense and other                      | 211                          | (437)                        |
| <b>Total deferred tax assets</b>                | <b>55,173</b>                | <b>57,891</b>                |
| Less: Valuation allowance                       | (2)                          | (4)                          |
| <b>Total deferred tax assets, net</b>           | <b>55,171</b>                | <b>57,887</b>                |
| <b>Net deferred tax liabilities</b>             | <b>\$ (72,650)</b>           | <b>\$ (64,862)</b>           |

ASC 740 requires management to evaluate the likelihood of deferred tax assets being realized. A valuation allowance is provided for deferred tax assets when it is more likely than not that the assets will not be realized.

On March 27, 2020, Congress enacted the Coronavirus Aid, Relief and Economic Security Act (the "CARES Act"). The CARES Act includes provisions, among others, addressing the carryback of net operating losses for specific periods, refunds of alternative minimum tax credits, temporary modifications to the limitations placed on the tax deductibility of net interest expenses, and technical amendments for qualified improvement property. Additionally, the CARES Act provides for refundable employee retention tax credits.

The CARES Act provides for the deferral of the employer-paid portion of social security payroll taxes. The Company elected to defer the employer-paid portion of social security payroll taxes of \$2,596 in Accrued expenses as of December 27, 2020. The Company remitted \$1,209 of such amounts during the fiscal year ended December 26, 2021 and expects to remit the remaining balance on December 31, 2022.

As of December 26, 2021, the Company had \$94,406 of federal net operating loss carryforwards and \$132,091 of state net operating loss carryforwards. These net operating loss carryforwards expire beginning in 2028. As of December 27, 2020, the Company had \$112,489 of federal net operating loss carryforwards and \$133,536 of state net operating loss carryforwards. Realization of the Company's deferred tax assets, including those associated with the net operating loss carryforwards as of December 26, 2021, will depend on generating sufficient taxable income in future periods, net of reversing deferred tax liabilities. The Company believes it is more likely than not that the deferred tax assets will be realized.

Foreign income taxes arise from withholding taxes associated with payments of royalties and fees by international franchisees.

As of December 26, 2021 and December 27, 2020, the Company had no material unrecognized tax benefits.

As discussed in Note 1, the Company is included in the consolidated return of the Parent. The Parent files U.S., state, and local income tax returns in jurisdictions with varying statutes of limitation. The tax years subsequent to 2017 generally remain subject to examination by federal and most state tax authorities. However, certain state returns from prior years in which net operating losses have arisen are still open for examination by the tax authorities.

## 10 Related Party Transactions

The Parent is a party to two management services agreements with affiliated entities. Under the terms of those agreements, the Company, on behalf of the Parent, pays annual management fees to affiliated entities. The Company expensed annual management fees of \$3,017 and \$2,990 for the fiscal years ended December 26, 2021 and December 27, 2020, respectively, which are included within Other operating expense, net. The two management advisory and consulting services agreements expire in December 2023, subject to certain renewal provisions.

## 11 Commitments and Contingencies

### Legal Actions and Claims

In the normal course of business, various legal actions and claims are pending against the Company. It is the opinion of management, based on consultation with counsel, that the ultimate resolution of these contingencies, to the extent not previously provided for, will not have a material effect on the consolidated financial condition, results of operations or liquidity of the Company.

### Lease Arrangements and Guarantees

Certain subsidiaries are the guarantors of certain real property lease arrangements on behalf of certain of their franchisees. The potential maximum future minimum lease payments these subsidiaries could be held liable for under these lease arrangements and guarantees was \$22,486 as of December 26, 2021, and the subsidiaries expect that any amounts that may ultimately be paid thereunder will not be material.

## 12 Accrued Expenses and Other Liabilities

Accrued expenses and other liabilities consists of:

|   | December 26,<br>2021 | December 27,<br>2020 |
|---|----------------------|----------------------|
| <b>For the fiscal years ended:</b>                  |                      |                      |
| Gift card and gift certificate liabilities          | \$ 22,487            | \$ 18,573            |
| Payroll and benefits accruals                       | 23,116               | 13,034               |
| Accrued interest                                    | 6,786                | 7,007                |
| Customer and other deposits                         | 2,185                | 1,883                |
| Sales and use tax accruals                          | 1,129                | 1,037                |
| Other accrued expenses                              | 17,600               | 12,918               |
| <b>Total accrued expenses and other liabilities</b> | <b>\$ 73,303</b>     | <b>\$ 54,452</b>     |

**13 Long-Term Other Liabilities**

Long-term other liabilities consists of:

|  | December 26,<br>2021 | December 27,<br>2020 |
|--|----------------------|----------------------|
| <b>For the fiscal years ended:</b>       |                      |                      |
| Unfavorable leases and subleases         | \$ 2,519             | \$ 4,093             |
| Deferred rent                            | 5,889                | 6,605                |
| Accrued rent - exited facilities         | 2,567                | 3,311                |
| Asset retirement obligations             | 887                  | 1,061                |
| Other long-term liabilities              | 292                  | 476                  |
| <b>Total long-term other liabilities</b> | <b>\$ 12,154</b>     | <b>\$ 15,546</b>     |

**14 Other Operating Expense**

Other operating expense, net consists of the following:

|   | December 26,<br>2021 | December 27,<br>2020 |
|---|----------------------|----------------------|
| <b>For the fiscal years ended:</b>        |                      |                      |
| Supply chain transformation costs         | \$ 7,876             | \$ -                 |
| Management fees to affiliated entities    | 3,017                | 2,990                |
| COVID-19 charges                          | 1,959                | 5,070                |
| Loss (gain) on sale of Company SBRs       | (1,281)              | 284                  |
| Other                                     | 313                  | 1,817                |
| <b>Total other operating expense, net</b> | <b>\$ 11,884</b>     | <b>\$ 10,161</b>     |

Supply chain transformation costs are primarily comprised of consulting fees to plan and implement internal changes to the Company's supply chain function. COVID-19 charges are primarily comprised of labor costs, including temporary wage increases and assistance pay, personal protective materials, sanitation supplies, and legal and other professional services expenses.

**15 Supplemental Disclosure of Cash Flow Information**

Supplemental disclosure of cash flow information is as follows:

|                               | December 26,<br>2021 | December 27,<br>2020 |
|-------------------------------|----------------------|----------------------|
| <b>Cash paid for:</b>         |                      |                      |
| Interest                      | \$ 43,044            | \$ 43,963            |
| Income taxes, net             | 14,807               | (7,505)              |
| <b>Non-cash transactions:</b> |                      |                      |
| Accrual of capital assets     | \$ 1,023             | \$ 53                |
| Asset retirement obligations  | 50                   | 52                   |



**EXHIBIT B**

**AUNTIE ANNE'S FRANCHISE AGREEMENT AND RELATED AGREEMENTS**



**AUNTIE ANNE'S® FRANCHISE AGREEMENT**

**BETWEEN**

**AUNTIE ANNE'S FRANCHISOR SPV LLC**

**AND**

**«Z1\_FIRST\_NAME»**

**«Z1\_LAST\_NAME» «Z2\_FIRST\_NAME» «Z2\_LAST\_NAME» «Z3\_FIRST\_NAME» «Z3\_LAST\_NAME» «Z4\_FIRST\_NAME» «Z4\_LAST\_NAME» «Z5\_FIRST\_NAME» «Z5\_LAST\_NAME»**

**«location\_name»**

License Number: **«record\_id»**  
Shop Number: **«Store\_Number»**  
Shop Type: **«license\_type»**

# AUNTIE ANNE'S® FRANCHISE AGREEMENT

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## AUNTIE ANNE'S® FRANCHISE AGREEMENT

THIS FRANCHISE AGREEMENT (this “**Agreement**”) is made and entered into as of the date specified in Schedule A (the “**Effective Date**”) (Schedule A and all appendices and schedules attached to this Agreement are hereby incorporated by this reference) between the franchisor specified in Schedule A (“**Franchisor**,” “**we**,” “**us**,” or “**our**”) and the franchisee specified in Schedule A (“**Franchisee**,” “**you**,” or “**your**”).

### RECITALS:

A. We and our affiliates have developed and own, and will continue to develop, a distinctive business format and set of specifications and operating procedures (collectively, the “**System**”) relating to the development, establishment, and operation of food-related businesses offering the approved products specified in Schedule A (the “**Approved Products**”) under the primary trademark or service mark specified in Schedule A (the “**Primary Mark**”).

B. The distinguishing characteristics of the System include our distinctive exterior and interior layouts, designs, and color schemes; our distinctive signage, decorations, furnishings and materials; our software and computer programs; our selection of Approved Products; our proprietary recipes and formulae (“**Recipes**”) used to create our proprietary flavorings or ingredients (“**Proprietary Ingredients**”) and/or our proprietary Approved Products (the “**Proprietary Products**”); our distinctive techniques for packaging, displaying, and merchandising Approved Products; our advertising and marketing programs and materials; our relationships with our vendors; our methods of operating a food-related business; our operations and administrative systems; our training programs; our methods and techniques for inventory and cost controls, recordkeeping, and reporting; our customer service standards; and any guidelines, standards, specifications, rules, procedures, policies, methods, requirements, and directives we establish, including our standards and specifications as to Recipes, ingredients, food and beverage preparation, food storage, interior and exterior design and décor, sanitation, maintenance, and equipment (the “**Standards**”) set out in our confidential operations manuals (the “**Manuals**”) and otherwise in writing. We may change, improve, add to, and further develop the elements of the System from time to time.

C. We identify businesses operating under the System by means of certain names and marks, including the Primary Mark, as well as other trade names, service marks, trademarks, logos, insignias, slogans, emblems, symbols, and designs that we have designated or may in the future designate for use with the System (collectively, the “**Marks**”). We and our affiliates may modify the Marks from time to time, adding new trade names, service marks, and trademarks which also will be included in the term “Marks.”

D. We refer to businesses that use the System and are identified by the Marks as “**Businesses**.” You desire to obtain a license to use the System and the Marks to operate one Business, and we are willing to grant you a license to operate a Business, subject to the terms and conditions of this Agreement.

**NOW, THEREFORE**, for and in consideration of the foregoing promises and the covenants and agreements contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

## 1. GRANT OF FRANCHISE

1.1 Grant of Franchise. Subject to the terms of this Agreement, we grant to you, and you accept, a non-exclusive license to operate one Business using the Marks and the System (collectively, your “**Franchised Business**”). The Franchised Business will be operated only at the location specified in Schedule A (the “**Accepted Location**”) or, if we have not yet accepted a site for the Franchised Business as of the date of this Agreement, at a location that we have accepted in accordance with this Agreement within the geographic area specified in Schedule A (the “**Site Selection Area**”).

1.2 Restrictions. You have no right to (i) sublicense the Marks or the System to any other person or entity, (ii) use the Marks or the System at any location other than the Accepted Location, except as otherwise provided in Section 4.3 (Catering Services and Delivery Services) or as otherwise approved in writing, or (iii) to use the Marks or the System in any wholesale, e-commerce, or other channel of distribution besides the operation of the Franchised Business at the Accepted Location.

1.3 Acceptance of License. You hereby accept the license granted in Section 1.1 (Grant of Franchise) and agree to operate the Franchised Business according to the provisions of this Agreement for the entire Term, as defined in Section 2.2 (Renewal Term).

### 1.4 Ownership and Guaranty.

A. Owners of Equity. If you are a corporation, limited liability company, partnership, or other entity (collectively, an “**Entity**”), all of your owners of a legal and/or beneficial interest in the Entity (the “**Owners**”) are listed on Schedule A and each of your Owners must execute the “Guaranty of Payment and Performance” that is attached in Schedule C (the “**Guaranty**”). By executing the Guaranty, each Owner will be bound by the provisions contained in this Agreement, including the restrictions set forth in Section 15 (Confidential Information; Restrictive Covenants). Further, a violation of any of the provisions of this Agreement, by any Owner will also constitute a violation by you of your obligations under this Agreement. You represent that the individuals executing this Agreement under the Guaranty represent that they are your sole owners. You will conspicuously identify yourself and the Franchised Business, in all dealings with your customers, contractors, suppliers, public officials, and others, as an independent franchisee, in the fashion that we specify.

B. Primary Contact. You must identify to us in writing an individual, who is reasonably acceptable to us, to serve as your “**Primary Contact.**” You must empower the Primary Contact with the responsibility and decision-making authority regarding the Franchised Business and its operation, and you acknowledge and agree that we will have the right to rely upon the Primary Contact for such purposes. Your Primary Contact must successfully complete any training programs that we specify and must satisfy any other standards we may require for their position. You must notify us immediately of the death, disability, or termination of employment of your Primary Contact and must designate a successor or acting Primary Contact within 30 days after the death, disability, or termination of the predecessor. Additionally, you may not remove or replace the Primary Contact without our prior written approval.

C. Governing Documents. If you are (or Transfer this Agreement to) an Entity, upon our request, you agree to furnish us with a list of holders of direct or indirect equity interests and their percentage interests, as well as copies of your governing documents and any other corporate documents, books, or records, including certificates of good standing from your state. Unless we

provide written consent to the contrary, your governing documents must provide that your purpose is limited to the development, acquisition, ownership and operation of one or more franchises with us and to conducting all business and financing activities related to such franchises. The Owners may not enter into any shareholders' agreement, management or operating agreement, voting trust, or other arrangement that gives a third party the power to direct and control your affairs without our prior written consent. During the Term, your governing documents must provide that no transfer of any ownership interest may be made, except in accordance with Section 16 (Transfer) of this Agreement. Any securities that you issue must bear a conspicuous printed legend to that effect.

## 2. TERM AND RENEWAL TERM

2.1 Initial Term. The initial term of this Agreement (the "**Initial Term**") will begin on the Effective Date and will end 20 years from the date that your Franchised Business opens for business (the "**Opening Date**"), unless this Agreement is terminated sooner as provided in other sections of this Agreement.

### 2.2 Renewal Term.

A. Grant of Renewal Term. We may, in our reasonable discretion, grant you one additional 20-year term (the "**Renewal Term**," and collectively, with the Initial Term, the "**Term**"). To obtain the Renewal Term, (i) at all times during the Term, you must have substantially and timely complied with each provision of this Agreement and any other agreements between you and us, our affiliates, or your landlord and you must not have any defaults in existence as of the expiration of the Initial Term, and (ii) you must request, in writing, no earlier than 12 months, but no later than six months before the expiration of the Initial Term, that we grant you a Renewal Term. We will then provide you with an Application for a Renewal Term (an "**Application**"), which you must complete and return to us within 10 days after we deliver it to you. We will evaluate your Application under substantially the same standards as we evaluate an application for a franchise submitted by a then-new franchisee.

B. Conditions for Renewal Term. If we approve your Application, you must:

(i) Agree in writing before the Renewal Term begins that you will make the significant capital expenditures necessary to complete a Remodel (as defined in Section 12.6.B. (Remodel)) within six months after the Renewal Term begins.

(ii) Sign and return our then-current form of franchise agreement (the "**Renewal Agreement**") within 30 days after we deliver it to you and pay a renewal fee equal to 20% of the amount of the then-current Initial Franchise Fee (the "**Renewal Fee**"). You agree that the Renewal Agreement may contain terms that differ materially from this Agreement.

(iii) Sign a general release in a form we prepare, releasing us and our parents, subsidiaries, and affiliates and the respective directors, officers, owners, shareholders, partners, members, managers, representatives, employees, agents, attorneys, contractors, predecessors, successors, heirs and assigns of each of the foregoing (in their corporate and individual capacities) (collectively, the "**Released Parties**"), from all claims you may have against the Released Parties as of the date of the Renewal Agreement. Your Owners must also sign the general release required in the previous sentence. Released Parties is not intended to include suppliers or distributors to you that are not affiliated with us and are not acting as our agent.

(iv) Secure the right from your landlord to continue operating at the Accepted Location for the remainder of the Renewal Term. Alternatively, we may require you to relocate your Franchised Business if we find that the Accepted Location does not meet our then-current standards at the time we consider your Application.

C. No Automatic Right. You agree that this Agreement does not grant you any automatic rights to a Renewal Term and that we will not be obligated to offer you a Renewal Term. The sole basis for any extension of your franchise rights beyond the Initial Term is in this Section.

D. Extension Period. If you do not timely comply with the renewal procedures and conditions set forth in this Section and you continue to operate the Franchised Business beyond the Initial Term, this Agreement shall be extended on a month-to-month basis until such time as (i) the conditions set forth in this Section are satisfied or (ii) we notify you that this Agreement is terminated (the “**Extension Period**”) (in which case, you must fully comply with all provisions of this Agreement throughout the Extension Period, as if this Agreement had not expired, and upon notice of termination of this Agreement, you shall comply with all post-termination obligations in this Agreement).

### 3. FEES

3.1 Initial Franchise Fee. When you sign this Agreement, you will pay us an initial franchise fee as specified in Schedule A (the “**Initial Franchise Fee**”). When we sign this Agreement, the Initial Franchise Fee is fully earned and nonrefundable. You acknowledge that we have no obligation to refund any portion of the Initial Franchise Fee to you, even if this Agreement is terminated prior to opening the Franchised Business.

#### 3.2 Ongoing Fees.

A. Royalty Fee. You must pay to us a recurring, non-refundable royalty fee in the amount and at the times specified in Schedule A (the “**Royalty Fee**”). Concurrent with these payments, you must submit to us any reports or statements required under Section 14.3 (Systems and Reports).

B. Advertising Contribution. You must pay to us a recurring, non-refundable advertising contribution in the amount and at the times specified in Schedule A (the “**Advertising Contribution**”). The Advertising Contribution will be in addition to, and exclusive of, your Grand Opening Obligation as specified in Section 10.1.C. (Grand Opening Advertising) and your Local Marketing Obligation as specified in Section 10.1.E. (Local Marketing Obligation), if any.

C. Net Sales. “**Net Sales**” means all revenues generated by your Franchised Business or conducted from or with respect to the Franchised Business, whether the sales are evidenced by cash, check, credit, charge, account, barter or exchange. Net Sales includes monies, gift card redemptions, or credit generated by or received from (i) the sale of Approved Products or tangible property of every kind and nature, promotional or otherwise, anywhere and (ii) services performed from, at, or in connection with the Franchised Business, including (x) off-premises services (such as catering and delivery), (y) on-premises services such as games (e.g., slot machines) or third-party advertising (e.g., on menus), or (z) any other services or activities that use either the System, the Marks, or products that are the same as or similar to the Approved Products. The foregoing list is not intended to provide approval for such activities, which may be conducted only if approved. Unless we specify otherwise in writing, Net Sales shall include all ancillary charges or fees, including delivery fees and other service charges, that are paid to you

by a customer or by a third-party delivery or catering service (e.g., Uber Eats, Postmates, Grubhub, ezCater, or DoorDash) (a “TPS”) in connection with delivery or catering services related to your Franchised Business (recognizing that though the TPS may pay you an amount equal to the purchase price charged to the customer less a commission, other fees, and any discounts, credits, or coupons applied to the order, such commission, fees, discounts, credits, and coupons will not be deducted from your Net Sales). Net Sales will not include (a) the initial sales or reloading of gift cards, (b) discounts, (c) the sale of food or merchandise for which refunds have been made in good faith to customers, (d) the discounted portion of employee meals, (e) sales, meals, use or excise tax imposed by a governmental authority directly on sales and collected from customers, provided that the amount for the tax is added to the selling price or absorbed therein and is actually paid by you to a governmental authority, (f) the sale of equipment used in the operation of the Franchised Business, or (g) tips.

D. Ordering Support Fee. We require you to pay to us, our affiliates, and/or one or more third parties that we designate, an ordering support fee, in an amount and at the times that we specify, for various ordering support services that we will provide or arrange for our affiliates or third parties to provide, such as services related to online and catering ordering platforms, call center(s), ordering and delivery management services, and catering rewards program(s) (the “**Ordering Support Fee**”). We may include in the fee our and our affiliates’ costs and administrative expenses related to procuring, providing, and/or developing the services, including the costs of integrating such services with the Computer System. We periodically may add, delete, or otherwise modify the products and services that are included in the Ordering Support Fee.

3.3 Additional Payments. You must pay us or our affiliates within 10 days after demand: (i) all sales taxes, corporate taxes, and any similar taxes paid by us on your behalf, imposed on us, or required to be collected by us on account of products or services we furnish to you (through sale, lease, or otherwise) or on account of our collection of any fee related to this Agreement; (ii) all franchise or similar taxes, whether based on gross receipts, gross revenues, Royalty Fees, Advertising Contributions, or otherwise, imposed on, required to be collected by, or paid by us; (iii) all marketplace facilitator or similar taxes imposed on, required to be collected by, or paid by us in connection with your use of websites, applications, or online ordering platforms; (iv) all other amounts we pay or must pay for you for any reason; (v) any other fees or expenses that we are entitled to collect from you; and (vi) any attorneys’ fees we incur related to you, your Owners, or the Franchised Business (other than those we incur in response to your efforts to enforce this Agreement or in the defense or any claim we assert against you on which you substantially prevail in court or other formal legal proceedings).

3.4 Means of Payment. You must pay all amounts you owe us by electronic funds transfer or draft. We reserve the right to require you to deliver these payments to another party or location, or through any other means of delivery we specify, including by check, electronic funds transfer or draft, wire transfer, or other forms of funds transfer. We also reserve the right to change the due dates or frequency of the due dates of the amounts that you owe to us under this Agreement. We will notify you when we change the location for payments, the required payment delivery method, the due dates, or the frequency of the due dates for payments. You must comply with any new or additional procedures as we may specify in the Manuals or otherwise, in writing, and/or perform any acts and sign and deliver any documents we designate as necessary to assist in accomplishing payment by the method that we specify within 30 days of our notice to you. If there are insufficient funds in your account to cover our draft, we will charge you return costs and an administrative fee. The written authorizations and documents that you must sign as provided under this Section may give us the right to initiate debit entries and/or credit corrections entries. We may make bank drafts based on the reports required under Section 14 (Right to Access);



Records; Reporting), the data of the point-of-sale system and other equipment provided for in Section 12.8 (Computer System), or the results of an audit. If you fail to report the Net Sales of the Franchised Business to us for any reporting period as required in this Agreement, we have the right to make bank transfers or drafts for Royalty Fees and Advertising Contributions based on our reasonable estimate of the amounts for the Franchised Business and/or the data of the point-of-sale system and other equipment provided for in Section 12.8.

3.5 Interest. You must pay us interest on amounts not paid on time at the rate of 1.5% per month or portion of a month, but not more than the maximum interest rate permitted by applicable laws.

3.6 Late Reporting Fee. If you fail to submit timely, complete, and accurate reports, financial statements, tax returns, and statements of initial investment costs in accordance with Sections 14.3 (Systems and Reports), 14.4 (Financial Statements), 14.5 (Tax Returns), and 14.7 (Initial Investment Statements), we may charge you our then-current late fee (the “**Late Reporting Fee**”). The Late Reporting Fee is currently \$50 per day that such report, statement, or return is late, but we may revise it through a modification to the Manuals or otherwise in writing.

3.7 Application of Funds; Withholding of Payments. If you are late in paying any obligation you owe us or our affiliates, we or our affiliates may apply any payment you make to any obligation you owe us or our affiliates, whether or not you make any designation to the contrary. You may not withhold or set off payment of any amount you owe us or our affiliates on grounds of alleged non-performance of any obligation we or they owe you.

#### 4. RESERVED RIGHTS

4.1 Reserved Rights. Unless specified otherwise in Schedule A, you do not have any protected or exclusive rights under this Agreement. We reserve all rights that we do not expressly grant you in this Agreement, including those rights described in Schedule A.

4.2 No Marketing Exclusivity. You agree that: (i) nothing in this Agreement grants you any marketing exclusivity as to particular customers; and (ii) we, our affiliates, and our and their other franchisees may solicit customers in, and service customers who are from, any geographic location we or they desire, including locations close to your Franchised Business.

4.3 Catering Services and Delivery Services. We require you to offer catering services (“**Catering Services**”) and delivery services (“**Delivery Services**”) and you must do so in accordance with the terms of the Manuals and this Agreement. You may only provide Delivery Services through a TPS that we approve or designate. If a TPS is unavailable to provide Delivery Services for your Franchised Business, you may not be required to offer Delivery Services, subject to our written approval. You acknowledge that we, our affiliates, and other franchisees may provide Catering Services and Delivery Services near your Franchised Business. We retain the right to revise and/or make exceptions to our Catering Services and Delivery Services policies as they apply to you and our other franchisees. We reserve the right to limit the geographic area in which you provide Catering Services and/or Delivery Services.

#### 5. SITE IDENTIFICATION AND ACQUISITION

5.1 Accepted Location. You must establish and operate the Franchised Business only at the Accepted Location. You will not conduct, and you will not permit the conduct of, any business from the Accepted Location other than the Franchised Business. You must obtain our prior written

consent if you wish to co-brand the Franchised Business with another business. You will not conduct, and you will not permit the conduct of any, sale of Approved Products using the Marks at any location other than the Accepted Location (except for the Catering Services and Delivery Services described in Section 4.3) without our prior written consent. If we consent to operations away from your Accepted Location, you will have to execute a separate agreement concerning your mobile or satellite business operations, which may include limitations on the type of activities that you may conduct and may include additional or different financial terms.

5.2 Our Assistance. We may assist you in selecting a proposed site for your Franchised Business (a “**Proposed Location**”), but we are not obligated to do so. You should undertake your own investigation of any Proposed Location and should not rely on any information from us in selecting the Proposed Location.

5.3 Acceptance of Proposed Location. If you and we have agreed on an Accepted Location at the time we sign this Agreement, we will insert the Accepted Location into Schedule A. If you and we have not agreed on an Accepted Location at the time we sign this Agreement, you will select a Proposed Location that complies with our site selection criteria within the Site Selection Area. You will provide us with all material we request to evaluate the suitability of the Proposed Location for your Franchised Business along with a site plan for the Proposed Location. We will provide you with our acceptance or non-acceptance of the Proposed Location within 15 days after you deliver the last item of materials we request, and our determination will be final. If we accept the Proposed Location as the Accepted Location, you must sign standard documentation we prepare, which includes a general release, to document the Accepted Location. Our acceptance of any Proposed Location is our agreement that the Proposed Location satisfies our minimum site selection criteria only and will not be construed as a representation or warranty that the Franchised Business located at the Proposed Site will be successful.

5.4 Site Acquisition.

A. Acceptance and Execution of Site Agreement. You must deliver a copy of the signed lease, sublease, or other rental agreement for the location (the “**Lease**”) or purchase agreement for the location (the “**Purchase Agreement**” and, collectively with the Lease, the “**Site Agreement**”) to us with all material terms specified therein, and any other additional documents you were required to sign with the Site Agreement, either: (i) after we sign this Agreement if we have identified the Accepted Location before we sign this Agreement, or (ii) immediately following the date we accept the location after we sign this Agreement. We may charge you a Lease Documentation Late Fee if you fail to timely provide the Site Agreement within 15 days after its execution. The “**Lease Documentation Late Fee**” shall be \$500 per month (or partial month) from the due date for providing the Site Agreement until the date it is delivered. Before you sign the Site Agreement, you must ensure that it meets the requirements of this Section 5.4. We will have the right, but not the obligation, to review your Site Agreement prior to its execution to verify its compliance with this Section 5.4.

B. Site Agreement Restrictions. If you execute a Site Agreement, (i) you may not create any obligations on our behalf, grant any rights adverse to our rights, or agree to any other term that is inconsistent with any term of this Agreement; (ii) you must duly and timely perform all terms under the Site Agreement; and (iii) except as otherwise provided in this Agreement, you may not assign, encumber, or transfer the Site Agreement, or sublet all or any part of the Accepted Location, without our prior written approval, which approval will not be unreasonably withheld. You must ensure that all Site Agreements comply with any terms set forth in the Manuals.

C. Preferred Lease Terms. You must use commercially reasonable efforts to ensure that all Leases include, unless we agree otherwise in writing:

(i) a provision which requires the landlord concurrently to provide us with a copy of any written notice of breach or default under the Lease sent to you, and which grants to us the right (but not the obligation) to cure any defaults under the Lease within a reasonable time (not to exceed 15 days for monetary defaults and 30 days for non-monetary defaults);

(ii) a provision that provides that upon the expiration or termination of this Agreement or upon your default under the Lease or under this Agreement, we will, without your or the landlord's further consent, have (a) a continuing right of entry into the Franchised Business, (b) the right to operate a Business at the Accepted Location, (c) the right, but not the obligation, to assume your interests under the existing terms, conditions and covenants of the Lease, and (d) should we assume your position under the Lease, the right to assign the Lease or sublet the premises to a third party which will operate a Business at the location;

(iii) a provision that provides that upon expiration or termination of the Lease, we will, without your or the landlord's further consent, have a continuing right of entry into the Franchised Business to remove Proprietary Products and any materials bearing the Marks;

(iv) a provision that provides that the Lease may not be modified or amended without our written consent which will not unreasonably be withheld, conditioned or delayed by us;

(v) a provision that allows you to offer or distribute product samples outside or over the counter of the Franchised Business, as applicable;

(vi) a provision that provides that if we assume your obligations and replace you as the lessee under the Lease or sign a new lease, and we later reassign the Lease or new lease to another franchisee, we will not be liable for any obligations to landlord under the Lease or new lease after the reassignment;

(vii) a provision, or a separate collateral assignment of lease, that provides that your landlord reserves to us the right, at our election, to take an assignment of the leasehold interest and to occupy the Accepted Location for the Franchised Business upon termination or expiration of this Agreement or default under the Lease; and

(viii) a provision that provides that your Franchised Business will have at least one designated parking space for curb-side pickup.

D. Site Agreement Modifications. You must submit a copy of any proposed modification, amendment, or renewal of the Site Agreement (a "**Site Agreement Change**") (along with a true and complete copy of the then-existing Site Agreement) to us for our review and approval prior to executing such documents, not less than 10 days prior to the proposed effective date of such modification, amendment, or renewal. Our review of the proposed Site Agreement Change will be limited to ensuring that it is compliant with the terms of this Agreement. Our acceptance of the Site Agreement Change shall not be unreasonably withheld and may be conditioned upon the inclusion of terms in the Site Agreement acceptable to us, including those provisions as specified in Section 5.4.C. (Preferred Lease Terms). If you renew a Lease or a Lease is extended by the landlord for a period of 12 months or more, we may require you to pay us our then-current lease renewal fee. We will notify you in writing whether we approve of the

proposed Site Agreement Change. If approved and subsequently signed, you must provide us with a copy of the signed Site Agreement Change within 15 days after its execution. We may charge you a Lease Documentation Late Fee if you fail to timely provide the modified or renewed Site Agreement.

E. Subleases. We reserve the right, directly or through an affiliate, to master lease any location and then sublet the location to you. Concurrently, with the execution of the Franchise Agreement, you may enter into a sublease with us if an acceptable site has been identified and we are or will be the master lessee of such site. As part of such sublease you will be required to pay us our then-current sublease administration fee. However, unless we have agreed otherwise in a separate written agreement, we shall have no obligation to enter into a sublease with you for any location. If we and you are parties to a sublease and we elect to assign the master lease to you, you must execute any and all documents required by the landlord to facilitate such assignment and cooperate with our efforts to obtain our release. Any real estate and improvement costs associated with the development of the Accepted Location will be your responsibility.

## 5.5 Relocation of the Franchised Business.

A. Relocation Request. You may relocate the Accepted Location of the Franchised Business at your expense, if, prior to closing the Franchised Business, you submit a site acceptance request (in the form we provide to you) for your new Proposed Location and obtain our acceptance of the relocation to the Proposed Location. A relocation includes any change of the location of the Franchised Business within a mall, facility, or building to a new location within the same mall, facility, or building. We are under no obligation to approve a relocation of the Franchised Business. Approval under this Section 5.5 will be within our sole discretion, and such approval shall not be granted unless you are in compliance with all terms and conditions of this Agreement and you have the funds available to relocate the Franchised Business and construct a new Franchised Business according to our then-current design standards.

B. Relocation Conditions. If we approve, in our sole discretion, the relocation of the Franchised Business under this Section 5.5, you agree to comply with the following conditions:

(i) the new location will be considered the “Accepted Location” as used in this Agreement;

(ii) all Site Agreements you enter into to secure the new location must comply with Section 5.4 (Site Acquisition);

(iii) you must make or cause to be made to the former Accepted Location such changes in the signs and interior and exterior of the former Accepted Location so as to effectively distinguish such location from any other Business;

(iv) we may charge you a relocation fee equal to 10% of the then-current Initial Franchise Fee (the “**Relocation Fee**”) to cover costs incurred by us in connection with any such acceptance, evaluation, and relocation of the Franchised Business;

(v) we may require you to pay an agreed minimum royalty to us during the period in which the Franchised Business is not in operation (if any); and

(vi) we may require you to sign our then-current form of franchise agreement to replace this Agreement (the “**New Franchise Agreement**”) or any other documents we may

require to amend this Agreement. You acknowledge and agree that the New Franchise Agreement may contain terms that are materially different from this Agreement, but you will not be required to pay another initial franchise fee if you sign a New Franchise Agreement. If the term of the Lease for the new location extends beyond the Term, we may, in our sole discretion, extend the term of this Agreement or the New Franchise Agreement to match the term of the Lease for the new location, provided you will be required to pay a relocation extension fee equal to \$1,500 multiplied by the number of years between the original expiration date of the Term and the expiration of the term of the Lease for the new location.

## 6. LEASEHOLD IMPROVEMENTS

6.1 Leasehold Improvements. You must hire a licensed and insured general contractor (“**General Contractor**”) to complete the build-out of your Franchised Business, and the General Contractor must be accepted by us. Our acceptance of your General Contractor will not in any way be our endorsement of your General Contractor or render us liable for your General Contractor’s performance. We may require any items used in the Franchised Business to meet our minimum Standards and/or to be sourced from suppliers or consolidators that we have designated or approved. You must purchase certain items of machinery and equipment and other items used in the Franchised Business from our designated or approved consolidators or as we otherwise direct. The designated consolidators will coordinate the ordering and delivery of your machinery and equipment. You may request a waiver of the requirement that you use our designated consolidators if you can demonstrate that you can successfully manage the process of ordering and obtaining your machinery and equipment.

### 6.2 Architectural Plans.

A. Architectural Requirements. We will provide you with a sample layout for the interior of a typical Business and specifications for furniture, fixtures, equipment, and décor. You must, at your expense and subject to our acceptance, employ architects, designers, and others as necessary to prepare your plans, modify or complete the layouts, renderings, plans, and specifications, which must include interior and exterior elevations of the Accepted Location (the “**Architectural Plans**”). Our acceptance of your architect will not in any way be our endorsement of your architect or render us liable for your architect’s performance or your architect’s compliance with professional design standards or adherence to local codes.

B. Submission of Plans. You must submit to us, by the deadline specified in Section 6.5.B. (Construction Start Deadline), a complete set of final Architectural Plans. We will promptly review the Architectural Plans and will either accept the Architectural Plans or provide comments to you on changes we require. After our initial review of your Architectural Plans at no cost and our review of one revised set of Architectural Plans that incorporate our required changes at no cost, we may charge a fee of \$1,000 for each set of drawings we review that include any other modifications from the plans that we have previously accepted. You may not begin construction of the Franchised Business until we have accepted the final Architectural Plans in writing.

C. Compliance with Legal Requirements. You must, before we approve the Architectural Plans, have your architect or you certify to us that the Architectural Plans comply with the Americans with Disabilities Act (the “**ADA**”), the architectural guidelines under the ADA, and all other federal, state, and local statutes, rules, regulations, ordinances, and codes (collectively, “**Laws**”) that apply to the Franchised Business.

6.3 Construction, Inspection, and Government Approvals. You must begin the construction and equipping of the Franchised Business by the deadline specified in Section 6.5.B. (Construction Start Deadline). You must furnish us with all documents we request related to construction. You must obtain our written approval of any changes to the Architectural Plans before you implement the changes. We must have access to the Franchised Business while work is in progress and on its completion. We may require you to provide photographs of your construction progress periodically from the time you commence construction until the time that we issue our consent to open the Franchised Business. On completion of construction and before the Opening Date, any architect and General Contractor you employ or you must provide us with a certificate stating that the as-built plans for the Franchised Business comply with the ADA, the architectural guidelines under the ADA, and all other Laws that apply to the Business. You must promptly make any modifications we deem necessary to bring the Franchised Business into compliance with the Architectural Plans. You may not open the Franchised Business if it does not conform to the final Architectural Plans and changes we approved. You must promptly seek and obtain prior to opening the Franchised Business all governmental approvals and licenses required to open and operate the Business.

6.4 Signage. All exterior and interior signage you use for the Franchised Business must conform to our Standards, including our Standards as to type, color, size, design, and location. You must use a sign vendor that we have designated or approved in writing to ensure proper compliance with our Standards. You must obtain our written approval before you install or display any signage.

6.5 Opening and Development Deadlines.

A. Site Approval Deadline. You will have until the deadline specified in Schedule A to (i) identify the Accepted Location, (ii) obtain our acceptance of the Accepted Location, (iii) sign any documentation we require to document the Accepted Location, (iv) obtain our acceptance of a Lease for the Accepted Location, and (v) sign the accepted Lease for the Accepted Location or otherwise acquire the ownership rights to the Accepted Location (the “**Site Approval Deadline**”).

B. Construction Start Deadline. You must (i) submit to us a complete set of final Architectural Plans and (ii) begin the construction and equipping of the Franchised Business by the deadline specified in Schedule A (the “**Construction Start Deadline**”).

C. Opening Deadline. You must open the Franchised Business by the deadline specified in Schedule A (the “**Opening Deadline**”). You must notify us of your proposed Opening Date at least 30 days in advance. We have the right to inspect your Franchised Business and take other measures we deem appropriate to determine whether you are ready to begin operations. You will not begin operations until we authorize you to do so in writing.

D. Failure to Meet Deadlines. If you are unable to meet the Site Approval Deadline, the Construction Start Deadline, or the Opening Deadline, you may request an extension before the expiration of any missed deadline. We have the right to require you to pay a \$2,500 extension fee, if we agree to modify (or if you miss) any of the deadlines. We are not obligated to extend any deadlines. If (i) you fail to cure your failure to meet the Site Approval Deadline or the Construction Start Deadline within 30 calendar days after we send you notice of such default or (ii) you do not meet the Opening Deadline, we may terminate this Agreement, as provided in Sections 17.2.I and 17.3.J.

## 7. GOODS AND SERVICES

### 7.1 Purchases.

A. Goods You Purchase. We have the right to require that Approved Products, other products, Proprietary Ingredients, supplies (including chemicals), furniture, fixtures, equipment, and services (collectively, “**Goods**”) that you purchase for resale or purchase or lease for use in your Franchised Business: (i) meet specifications that we establish from time to time; (ii) be a specific brand, kind, or model; (iii) be purchased or leased only from suppliers, service providers, distributors, and/or consolidators (collectively, “**Suppliers**”) that we have expressly designated or approved (“**Approved Suppliers**”); (iv) be purchased or leased only from a single source that we designate (which may include us or our affiliates or a buying cooperative organized by us or our affiliates); and/or (v) be purchased as part of a purchasing program, arrangement, or contract that we negotiate or specify. To the extent that we establish specifications, require approval of Suppliers, or designate Approved Suppliers for particular Goods, we will publish our requirements in the Manuals or otherwise in writing.

B. Suppliers. You must purchase all of your requirements of Proprietary Ingredients, Proprietary Products, and proprietary uniforms, signs, menu boards, smallwares, materials, supplies, paper goods, equipment, and packaging (collectively, the “**Proprietary Goods**”) from us, our affiliates, or our designated Approved Suppliers. For all other Goods, we may require you to purchase such Goods from any Approved Suppliers or from particular Approved Suppliers, or we may permit you to purchase such Goods from any Supplier capable of providing Goods that meet our minimum Standards (to the extent we have specified Standards for such Goods). If we sell Goods directly to you, we will do so at the same price that we charge similarly-situated franchisees. If you are in default under this Agreement, then any obligations we and our Approved Suppliers may have to sell you Goods may be suspended in our sole discretion; and you will not, as a result, have a defense at law or equity based on impossibility of your performance or any claim against us or our Approved Suppliers. If we or our Approved Suppliers are unable to supply you with the quantity and type of Goods you request, we will exert reasonable commercial efforts to allocate, or to cause our Approved Suppliers to allocate, the Goods available on an equitable basis among the Businesses that seek to purchase Goods. You acknowledge that we, our affiliates, and our Approved Suppliers will not be liable if we, our affiliates, or our Approved Suppliers are unable to fulfill your requests.

C. Revenue from Purchases. You acknowledge and agree that we and/or our affiliates may derive revenue based on your purchases and leases, including from charging you for Goods we or our affiliates provide to you and from promotional allowances, volume discounts, and other payments made to us by manufacturers, Suppliers, or third parties. If we, our affiliates, or third parties acting under our direction arrange for manufacturers to sell the Goods directly to our Approved Suppliers to then sell them to you, then we or our affiliates will have the right to receive compensation or other consideration from the manufacturers, Approved Suppliers, and/or such third parties for these sales. We and our affiliates may use all amounts received from manufacturers, Suppliers, or third parties, whether or not based on your or other franchisees’ actual or prospective dealings with them, without restriction for any purposes we or our affiliates deem appropriate.

7.2 Approved Products. You may offer in the Franchised Business to customers only the Approved Products that we have approved in writing. You must produce and sell all Approved Products we specify, including all menu items and other products and services that we require you to sell, as stated in the Manuals or otherwise, which are all part of the System. We may

change these specifications periodically, and we may designate specific Approved Products as optional or mandatory. You must offer all Approved Products that we designate as mandatory. You may not produce or offer any products (i) that we do not authorize you to produce or sell or (ii) that we direct you not to produce or sell. You may sell Approved Products only in the varieties, forms, and packages that we have approved. If we require you to produce any Approved Products, you must strictly follow our Recipes, using only those product components, ingredients, flavoring, and garnishes that meet our then-current Standards. If we require or authorize you to sell alcoholic beverages, you must obtain any necessary permits or licenses. You must maintain a sufficient supply of required Approved Products to meet the inventory standards we prescribe in the Manuals (or to meet reasonably anticipated customer demand, if we have not prescribed specific standards).

### 7.3 Approval Process.

A. Review Process. If you would like to offer products or use any Goods that we have not approved or to purchase or lease from a Supplier that we have not approved, you must submit a written request for approval and provide us with any information that we request. We have the right to inspect the proposed Supplier's facilities and test samples of the proposed Goods. We have the right to grant, deny, or revoke approval of Goods or Suppliers based solely on our judgment. We will notify you in writing of our decision as soon as practicable following our evaluation. If you do not receive our approval within 90 days after submitting all of the information that we request, our failure to respond will be deemed a disapproval of the request. You acknowledge that the products and services that we approve for you to offer in your Franchised Business may differ from those that we permit or require to be offered in other Businesses.

B. Requirements for Suppliers. Before we approve a Supplier, we will require the following, among other things: (i) the Supplier must demonstrate that it is able to supply the item to you in accordance with our Standards, including our standards as to the artwork and text on the items; (ii) if the Supplier is to receive access to any of our Confidential Information (defined below), Trade Secrets (defined below), or logos, the Supplier must sign a confidentiality agreement and/or our standard form license agreement we prepare; (iii) the Supplier must demonstrate that it is in good standing in the business community with respect to its financial soundness and the reliability of its products or services; and (iv) the Supplier must sign all agreements we require our suppliers to sign at that time.

7.4 Revocation of Approval. We reserve the right to reinspect the facilities and Goods of any Approved Supplier and to revoke approval of the Goods or Supplier if any fail to meet any of our then-current criteria. If you receive a notice of revocation of approval, you agree to cease purchasing or leasing the formerly-approved Goods or any Goods from the formerly-approved Supplier and you must dispose of your remaining inventory of the formerly-approved Goods as we direct. If we revoke approval of a formerly-approved Approved Product that you have been selling to customers or service that you have been offering to customers, you must immediately discontinue offering the service and may continue to sell the product only from your existing inventory for up to 30 days following our disapproval. We have the right to shorten this period if, in our opinion, the continued sale of the product would prove detrimental to our reputation. After the 30-day period, or such shorter period that we may designate, you must dispose of your remaining formerly-approved inventory as we direct.

7.5 Limitations. You may only engage in the sale of Approved Products under the System from the Franchised Business to the ultimate consumer. You may not offer for sale, sell, supply for resale, or deliver any Goods to a third party other than the ultimate consumer at the Franchised



Business without our prior written consent. Unless otherwise permitted by us in writing, you may not sell any Goods through the Internet or using any other channel of distribution other than your Franchised Business. You may not use the Franchised Business or the premises of the Franchised Business to produce or sell any goods, products, or services other than Approved Products sold using the Marks. In particular, you may not operate a ghost kitchen or delivery business selling goods, products, or services under another brand.

7.6 Test Marketing. We may from time to time conduct test marketing to determine consumer trends and the salability of new food or non-food products and services. You will participate in any test marketing we require by providing us with timely reports and other relevant information as we may request. In connection with test marketing, you will purchase for the Franchised Business the reasonable quantity of test products we specify and will use your best efforts to promote and sell test products.

7.7 Disclaimer of Warranties. WE AND OUR AFFILIATES EXPRESSLY EXCLUDE AND DISCLAIM ALL IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE WITH RESPECT TO ALL GOODS THAT WE OR OUR AFFILIATES OFFER, SELL, OR REQUIRE FOR YOUR FRANCHISED BUSINESS (COLLECTIVELY, "SOURCED PRODUCTS"). YOUR EXCLUSIVE REMEDY AND OUR AND OUR AFFILIATES' EXCLUSIVE LIABILITY FOR ALL CLAIMS RELATED TO ANY SOURCED PRODUCTS IS (I) LIMITED TO YOUR REMEDIES AGAINST THE GIVEN THIRD PARTY SUPPLIER OR MANUFACTURER (WHICH SHALL NOT INCLUDE OUR AFFILIATES) FOR ANY OF THE SOURCED PRODUCTS THEY PROVIDE; AND (II) FOR ANY OF THE SOURCED PRODUCTS THAT WE OR OUR AFFILIATES PROVIDE, LIMITED TO THE PURCHASE PRICE OF SUCH SOURCED PRODUCTS, PLUS SHIPPING COSTS, IF ANY, YOU PAID; OR, AT OUR OR OUR AFFILIATES' OPTION, THE REPLACEMENT OF SUCH SOURCED PRODUCTS. WE AND OUR AFFILIATES WILL NOT BE LIABLE FOR SPECIAL, INCIDENTAL, INDIRECT, CONSEQUENTIAL, MULTIPLIED, EXEMPLARY, OR PUNITIVE DAMAGES FOR ANY MATTER STATED IN THIS SECTION 7 (GOODS AND SERVICES), REGARDLESS OF THE DIRECT OR INDIRECT CAUSE OF THE DAMAGES. This disclaimer of warranties does not affect any claims you may have against third party manufacturers or Suppliers of any Sourced Products.

## 8. COMPLIANCE WITH THE SYSTEM AND MANUALS

8.1 Manuals. We will lend you one hard copy of, or grant you electronic or other access to, the Manuals during the Term. We may provide the Manuals, and any Supplements to the Manuals (defined below), to you in hard copy or electronically via applications for mobile devices, DVD, intranet, other storage media, electronic mail, video, the Internet, or other electronic formats. If any content of the Manuals conflicts with the terms of this Agreement, this Agreement will control. You may be required to pay a license fee to use the software necessary to access the Manuals.

8.2 Compliance with the System. You agree that: (i) every component of the System is vital to us, to your Franchised Business, and to the Businesses our other franchisees operate; and (ii) your compliance with the System is of the essence to this Agreement. You therefore agree that you will conduct all activities and operations of your Franchised Business in strict compliance with the System, including the Standards and the Manuals, as though specifically stated in this Agreement. You must promptly address any customer complaints in accordance with our Standards as specified in the Manuals.

8.3 Changes to the Standards and the Manuals. We may make additions to, deletions from, and modifications to the Manuals ("**Supplements**") or Standards from time to time in any form

or fashion, including (i) altering the Approved Products, accounting and computer systems, forms, policies, and procedures of the System; (ii) adding, modifying, or substituting the equipment, signs, trade dress, and other Business characteristics that you are required to use or display (subject to the limitations set forth in this Agreement); (iii) implementing new programs and policies, which may require you to incur additional expenses, purchase new equipment or supplies, or pay additional reasonable fees; and (iv) changing, improving, modifying, or substituting for the Marks. We will communicate changes in the Standards or the Manuals in writing or electronically to you, as we deem appropriate. You must immediately adopt and use any Supplements to the Manuals. All Supplements to the Manuals are binding on you as if they were part of the Manuals previously provided to you. It is your responsibility to monitor for Supplements to the Manuals and maintain a current and up-to-date copy of the Manuals at your Franchised Business at all times. If there is any dispute as to your compliance with the Manuals, then the master copy of the Manuals we maintain will control. All references in this Agreement or otherwise to the Manuals will include any and all Supplements to the Manuals. You acknowledge that changes in the Standards or Manuals may obligate you to invest additional capital in the Franchised Business and/or incur higher operating costs.

8.4 Variances. You agree that complete uniformity under many varying geographic and other conditions, and over extended spans of time, is not practical and may be detrimental to the System, and that as a result: (i) we may vary the Standards for any franchisee as we deem necessary; (ii) we may grant franchises using the System under terms that may differ materially from the terms of this Agreement; and (iii) our obligations and rights with respect to our various franchisees may differ materially from our obligations and rights with respect to you, without in any way affecting our rights with respect to you. You will have no right to require that we disclose any variation to you or that we grant you the same or a similar variation.

8.5 Ownership. You agree that we own all proprietary rights in and to the System and the Manuals. The Manuals will at all times remain our property and you and all your directors, officers, shareholders, partners, members, managers, employees, agents, independent contractors, and others who gain access to the Manuals and the information contained in the Manuals will treat the Manuals and the information in the Manuals as our Confidential Information (defined below).

8.6 Guest Relations. You must promptly address any guest contact requests that we send to you or customer complaints in accordance with our Standards as specified in the Manuals, including responding to and resolving such guest contacts and complaints in the manner and within the time periods specified in the Manuals. In addition to any other rights and remedies we may have, including reimbursement of any costs or expenses related to responding to or resolving such contact or complaint on your behalf, we may charge you a guest relations fee if (i) we or you receive an excessive number of complaints related to you or your Franchised Business (such number shall be specified in the Manuals) or (ii) you fail to respond to or resolve a guest contact request or a customer complaint in accordance with our Standards within the time period specified in the Manuals.

## 9. INTELLECTUAL PROPERTY

### 9.1 Marks.

A. Acknowledgements. You acknowledge that we or our affiliates are the owner of the Marks, that you have no interest in the Marks beyond the non-exclusive license granted herein, and that, as between we and you, we have the exclusive right and interest in and to the Marks and the goodwill associated with and symbolized by them. Upon the expiration or

termination of this Agreement, no monetary amount will be attributable to goodwill associated with your activities as a franchisee under this Agreement.

B. Rights. Your right to use the Marks applies only to the Franchised Business operated at the Accepted Location as expressly provided in this Agreement, including advertising related to the Franchised Business. You may only use in your Franchised Business the Marks we designate, and only in compliance with written rules that we prescribe from time to time. You may not use any Mark or any words or designations similar to the Marks (i) as part of any corporate or legal business name, (ii) with any prefix, suffix or other modifying words, terms, designs or symbols (other than logos we have licensed to you), (iii) in selling any unauthorized services or products, (iv) as part of any domain name, electronic address, metatag, search engine keyword, social media account, or otherwise in connection with any website or other electronic medium without our consent, or (v) in any other manner we have not expressly authorized in writing. No materials on which any of the Marks appears will be used by you without our prior written approval, which may be revoked at any time upon reasonable notice to you. You must display the Marks in a manner that we specify on signage at the Franchised Business and on forms, advertising, supplies, employee uniforms, business cards, and other materials we designate.

9.2 Copyrights. You acknowledge that as between you and us, any and all present or future copyrights relating to the System or the Business concept, including the Manuals (including the Supplements); the Recipes; our building designs, architectural renderings, and construction plans; and certain forms, advertisements, images, art, photography, promotional materials, and other written materials that we produce (collectively, the “**Copyrights**”) belong solely and exclusively to us or our affiliates. You have no interest in the Copyrights beyond the non-exclusive license granted in this Agreement. Your use of the Copyrights inures to our benefit.

9.3 No Contesting Our Rights. During the Term and after its expiration or termination, you agree not to directly or indirectly contest our or our affiliates' ownership, title, right or interest in or to, or our license to use, or the validity of, (i) the Marks, (ii) the Copyrights, (iii) the Recipes, or (iv) any Trade Secrets (defined below), methods, or procedures that are part of the System (collectively, the “**Intellectual Property**”), or contest our sole right to register, use, or license others to use the Intellectual Property.

9.4 Changes to the Intellectual Property. We have the right, upon reasonable notice, to change, discontinue, or substitute for any of the Intellectual Property and to adopt entirely different or new Intellectual Property for use with the System without any liability to you, in our sole discretion. You agree to implement any such change at your own expense within the time we reasonably specify.

9.5 Third-Party Challenges. You agree to notify us promptly of any unauthorized use of the Intellectual Property of which you have knowledge. You also agree to inform us promptly of any challenge by any person or Entity to the validity of our ownership of or our right to license others to use any of the Intellectual Property. We agree to protect and defend you against any suit filed or demand made against you challenging the validity of the Intellectual Property (an “**IP Claim**”), and to defend and indemnify you against your loss, cost, or expense related to the IP Claim, except where the IP Claim arose because you used the Intellectual Property in violation of this Agreement. We will initiate, direct, and control any litigation or administrative proceeding relating to the Intellectual Property, including any settlement. We will be entitled to retain any and all proceeds, damages, and other sums, including attorneys' fees, recovered or owed to us or our affiliates in connection with any such action. You agree to execute all documents and, render any

other assistance we may deem necessary to any such proceeding or any effort to maintain the continued validity and enforceability of the Intellectual Property.

9.6 Post-Termination or Expiration. Upon the expiration or termination of this Agreement for any reason, all of your rights to use the Intellectual Property will automatically revert to us without cost and without the execution or delivery of any document. Upon our request, you will execute all documents that we require to confirm such reversion.

9.7 Innovations. All ideas, concepts, techniques, or materials relating to a Business or the System or derivations or modifications of the Intellectual Property or any other element of the System (collectively, “**Innovations**”), whether or not protectable intellectual property and whether created by or for you or your Owners, employees, or contractors, must be promptly disclosed to us and will be deemed to be our sole and exclusive property, part of the System and the Intellectual Property, and works made-for-hire for us. To the extent any Innovation does not qualify as a work made-for-hire for us, by this Section you assign ownership of that Innovation, and all related rights to that Innovation, to us and agree to sign (and to cause your Owners, employees, and contractors to sign) whatever assignment or other documents we request to evidence our ownership or to help us obtain intellectual property rights in the Innovation. We and our affiliates have no obligation to make any payments to you or any other person with respect to any Innovations. You may not use any Innovation in operating the Franchised Business or otherwise without our prior approval.

## 10. ADVERTISING AND PROMOTION

### 10.1 Local Advertising, Marketing and Promotion.

A. Advertising Standards. Except as otherwise provided in the Manuals, you may use only Advertising and Promotional Content that we have furnished or approved in writing in advance. “**Advertising and Promotional Content**” includes all advertising, marketing, promotional, customer relationship management, public relations, and other brand-related programs, materials, and content relating to the Franchised Business, the Proprietary Marks, or the Approved Products, including (i) any branded materials (such as business cards, signs, counter cards, banners, posters, displays, window clings, and in-store messaging), (ii) press releases, (iii) printed materials (such as leaflets, direct mail materials, coupons, and published advertisements), (iv) promotional items (such as branded specialty and novelty items, products, and clothing), (v) audio or video advertising (such as radio, television, or podcast ads or online video postings), and (vi) Digital Marketing (as defined in Section 10.2 (Digital Marketing)). You must ensure that all Advertising and Promotional Content that you or your agents or representatives develop or implement related to the Franchised Business is (a) clear, factual, ethical, and not misleading, (b) complies with all Laws, and (c) conforms to our Standards and the advertising and marketing policies that we periodically specify.

B. Submission and Review of Proposed Content. Except as otherwise provided in the Manuals and for Advertising and Promotional Content that we furnish to you, you must submit to us for our written approval, before use, copies of all proposed Advertising and Promotional Content that you intend to use or implement. We have the right to approve or disapprove any Advertising and Promotional Content, as well as the media in which intend to use them, in our sole discretion. We reserve the right to require you to discontinue the use of any Advertising and Promotional Content for any reason.

C. Grand Opening Advertising. You must spend at least the amount specified in Schedule A on grand opening advertising promoting the opening of your Franchised Business within the time period specified in Schedule A (the “**Grand Opening Obligation**”). The Grand Opening Obligation is in addition to your Advertising Contribution and any local advertising obligations you may have. All Advertising and Promotional Content you use for the Grand Opening Obligation and the media in which you use them, are subject to our approval. We have the right to require you to provide documentation that demonstrates your compliance with the Grand Opening Obligation. If you fail to make advertising expenditures in accordance with this Section, we will have the right to either: (i) require you to spend the remaining amount on local marketing advertising, in addition to your Local Marketing Obligation, or (ii) spend an amount not to exceed your Grand Opening Obligation on promoting the opening of your Franchised Business for you, and you must reimburse us for these expenses. If you relocate the Franchised Business pursuant to Section 5.5 (Relocation of the Franchised Business), we may require you to comply with the Grand Opening Obligation again.

D. Participation in Promotions. From time to time, we or your Advertising Cooperative (if any) may establish temporary or permanent promotional campaigns (e.g., limited time offers, gift cards, coupons, loyalty programs, customer relationship management, and other supplemental marketing programs) applicable to the System as a whole or to specific advertising market areas. You are required to participate in these promotional programs at your own cost, including the costs to purchase, lease and install all materials necessary to the promotional campaigns, including counter cards, posters, banners, signs, photographs, give-away items, and gift cards.

E. Local Marketing Obligation.

(i) Local Marketing. Unless otherwise specified in Schedule A, you must aggressively advertise, market, and promote your Franchised Business locally in accordance with our Standards and must spend a reasonable amount each calendar quarter for local market advertising. If we require you to spend a minimum amount on local market advertising, we will specify the minimum amount in Schedule A (the “**Local Marketing Obligation**”) and, upon our request, require you to submit for our written approval an annual local marketing plan. We may change the Local Marketing Obligation, provided that we must give you at least 60 days’ written notice of the change. Your Local Marketing Obligation will be in addition to amounts you must pay or spend under Section 3.2.B (Advertising Contribution) and for the Grand Opening Obligation under Section 10.1.C. (Grand Opening Advertising). You will be responsible for determining the amount of advertising funds you spend for individual local market advertising, subject to the Local Marketing Obligation (if any) and our approval of your annual local marketing plan, if applicable.

(ii) Compliance with the Local Marketing Obligation. Any contributions that you make to an Advertising Cooperative (if one exists) may be counted towards your Local Marketing Obligation. The following expenditures or costs will not count towards your Local Marketing Obligation: salaries, donations, press parties, in-store fixtures or equipment, menus, serving guides and nutritional facts, yellow page advertising, exterior or interior signage, and incentive programs, including costs of honoring coupons and food costs incurred in honoring sales promotions. We have the right to require you to provide documentation that demonstrates your compliance with the Local Marketing Obligation. If you fail to make advertising expenditures in accordance with this Section, we will have the right to spend an amount not to exceed your Local Marketing Obligation on local advertising for you, and you must reimburse us for these expenses. Your failure to comply with this Section 10.1.E. is a material breach of this Agreement.

(iii) Payment to Us. We have the right upon written notice to you to require you to pay all or a portion of the Local Marketing Obligation to us for us to, in our sole discretion, (a) contribute to the Ad Fund (as defined in Section 10.3.A. (Contributions to Ad Fund)), (b) spend on national, regional, or local advertising campaigns, (c) contribute to the Advertising Cooperative (as defined in Section 10.4.A. (Participation)) in your market, or (d) spend on local advertising in your market. If we exercise our right to collect your entire Local Marketing Obligation (and not just a portion of it), you will not be required to (x) spend a minimum amount on local advertising (other than your Grand Opening Obligation), (y) provide a local marketing plan, or (z) participate in, or contribute to, your Advertising Cooperative. We are not obligated to ensure that the Local Marketing Obligation monies that we spend are proportionate or equivalent to your contributions or that the Franchised Business will benefit directly or pro rata or in any amount from the placement of advertising.

## 10.2 Digital Marketing.

A. Restrictions. We or our affiliates, in our sole discretion, may establish and operate websites, social media accounts (such as Facebook, Twitter, Instagram, Pinterest, Snapchat, TikTok, etc.), applications, keyword or adword purchasing programs, accounts with websites featuring gift certificates or discounted coupons (such as Groupon, Living Social, etc.), mobile applications, online videos, display banner campaigns, branded content social media campaigns, e-mail marketing campaigns, or other means of digital advertising on the Internet or any other means of digital or electronic communications (collectively, “**Digital Marketing**”) that are intended to promote the Marks, your Franchised Business, and the entire network of Businesses. We will have the sole right to control all aspects of any Digital Marketing, including those related to your Franchised Business.

B. Digital Marketing By You. Unless we consent otherwise in writing, you may not, directly or indirectly, conduct or be involved in any Digital Marketing that use the Marks or that relate to the Franchised Business. If we do permit you to conduct any Digital Marketing, you must (i) comply with any Standards or content requirements that we establish periodically and must immediately modify or delete any Digital Marketing that we determine, in our sole discretion, is not compliant with such Standards or content requirements, (ii) only use materials that we have approved and must submit any proposed modifications to us for our approval, (iii) not use any Mark on any aspect of the Digital Marketing (including in any domain name, address, or account) except as we expressly permit, (iv) include any information that we require, and (v) include only the links that we approve or require. We retain the right to pre-approve your use of linking and framing between any Digital Marketing that you conduct and all other websites. If we consent to your use of the Marks (or words or designations similar to the Marks) in any domain name, electronic address, website, or other source identifier, we may register such names, addresses, websites, or identifiers and then license use of the registered item back to you under a separate agreement. You must pay all costs due for registration, maintenance, and renewal of any such names, addresses, websites, or identifiers that we approve and maintain on your behalf. We retain the ownership of Copyright to any of the materials that you may develop for use on the Internet. We may withdraw our approval for any Digital Marketing at any time.

## 10.3 Advertising Fund.

A. Contributions to Ad Fund. We will allocate your Advertising Contributions to a fund for the advertising and promotion of the Businesses, the Marks, and the System (the “**Ad Fund**”). If we operate any Businesses, our Businesses will contribute to the Ad Fund in the same manner as similarly-situated Franchised Businesses. You acknowledge that our other franchisees may

not be required to contribute to the Ad Fund, may be required to contribute to the Ad Fund at a different rate than you or may be required to contribute to a different advertising fund.

B. Management of Ad Fund. You agree that: (i) we need not maintain the Ad Fund, your Advertising Contributions, or income earned from contributions to the Ad Fund in a separate account from our other funds; (ii) we are not a fiduciary with respect to your Advertising Contributions or the Ad Fund; and (iii) the Ad Fund is not a “trust.” We are not required to have an independent audit of the Ad Fund completed. We will provide you with an annual summary of the expenditures of the Advertising Fund on your reasonable request. If any monies in the Ad Fund remain at the end of a fiscal year, they will carry-over in the Ad Fund into the next fiscal year. We may treat any amounts that we contribute to the Ad Fund in excess of our required contributions for Businesses that we operate and any spending on advertising that we make in excess of the amounts then available in the Ad Fund as a loan from us to the Ad Fund. We have the right to be reimbursed from the Ad Fund any amounts that we loan to the Ad Fund.

C. Use of Ad Fund. We will administer the Ad Fund. We have sole authority to direct all advertising programs and promotions and uses of the Ad Fund, with sole control over the creative concepts, materials, and media used in the programs, and the placement and allocation of advertising. We reserve the right to use any media, create any programs, and allocate advertising and promotional expenditures to any regions or locales we deem appropriate. We may use the Ad Fund to meet the costs of administering, preparing, and conducting national, local, or regional advertising, promotional, or brand building programs of any kind, including the cost of (i) preparing and conducting television, radio, magazine, newspaper, and digital advertising campaigns and other public relations activities (including for purposes of brand reputation management), (ii) employing public relations firms and advertising agencies to assist in these activities, and (iii) conducting other activities that are directly or indirectly designed to promote the System, its franchisees, and/or increase System sales, such as limited-time menu offerings, crew incentives, franchisee incentive and/or promotional programs, customized materials (e.g., cups), up-sell programs, guest response programs, manager/employee recognition programs, quality assurance and food safety programs, mystery shop and shopper programs, brand websites and ordering platforms, brand applications, social media account administration and promotion, and in-store equipment and technologies related to such marketing programs. We may use the Ad Fund to compensate us for the reasonable administrative costs and overhead we incur in activities related to advertising and promotional programs, including new product development; market research; preparing advertising and promotional materials; Digital Marketing; working with public relations firms, advertising agencies, advertising placement services, and creative talent; reimbursing franchisee advisory council meeting expenses; developing and maintaining, and paying third parties for the development and maintenance of, websites, applications, and other equipment and technologies related to marketing programs. We will not spend the Ad Fund in a manner that (i) exclusively benefits our licensees that manufacture and sell products bearing the Marks, if any, or (ii) is principally a solicitation for the sale of franchises.

D. No Proportionate Benefit; No Right to Withhold Contribution. The advertising and promotions that we conduct are intended to maximize general public recognition and patronage of the System generally in the manner that we determine to be most effective. We are not obligated to ensure that the expenditures from the Ad Fund are proportionate or equivalent to your contributions or that the Franchised Business will benefit directly or pro rata or in any amount from the placement of advertising. You will spend and/or contribute all advertising contributions, including the Advertising Contribution, provided for in this Agreement without reduction regardless of your perceived benefit to the Franchised Business or the amount of contribution by other

franchisees operating Businesses or the default of these advertising obligations by any other franchisees.

#### 10.4 Advertising Cooperatives.

A. Participation. You will participate, if we require, in any local, regional, or national cooperative advertising group consisting of other Businesses (an “**Advertising Cooperative**”) that we specify, when and if any of these groups are created. We will designate the particular Advertising Cooperative(s) in which you may be required to participate (which designations may be based on, without limitation, the particular Designated Market Area or the Area of Dominant Influence, as those terms are used in the advertising industry, where your Franchised Business is located). If we collect the entire Local Marketing Obligation, we will not require you to participate in an Advertising Cooperative. You will enter into any formal agreements with the other franchisees of the System and/or us, as the case may be, as is necessary or appropriate to accomplish the goals of this Section 10.4 and you must abide by the formal agreements and decisions that we authorize the Advertising Cooperative to make on advertising and marketing in the area covered by the Advertising Cooperative.

B. Payments. Your payments to any Advertising Cooperative will be determined by you and those other franchisees and/or us, as the case may be, who are participants in the Advertising Cooperative, as stated in the by-laws of that Advertising Cooperative or membership, dues, participation, or other payment agreements of the Advertising Cooperative. Amounts paid to an Advertising Cooperative will be credited against your Local Marketing Obligation as specified in Section 10.1.E. (Local Marketing Obligation). Any contributions that you make to an Advertising Cooperative shall be additional to your Advertising Contribution as specified in Section 3.2.B. (Advertising Contribution) and your Grand Opening Obligation as specified in Section 10.1.C. (Grand Opening Advertising). If you become delinquent in your dues or other payments to the Advertising Cooperative or fail to abide by any formal agreements or authorized decisions of the Advertising Cooperative, the delinquency or failure will be deemed a failure to participate in the Advertising Cooperative and a material breach of this Agreement.

C. Operations of Advertising Cooperative. We may require any Advertising Cooperatives to only use public relations firms and advertising agencies that are Approved Suppliers. All proposed advertising and promotional materials produced by, or on behalf of, Advertising Cooperatives must be submitted to us for our written approval before use. We may on 30 days’ written notice to you suspend or terminate an Advertising Cooperative’s program or operations. As a member, officer or director of an Advertising Cooperative, at our request, you will provide to us all information we request related to the Advertising Cooperative and you must provide this information within 10 days after our request to you.

10.5 Our Advertising Materials. We may periodically formulate, develop, produce, and conduct, at our sole discretion, advertising or promotional programs in such form and media as we determine to be most effective. We may make available to you for you to purchase approved advertising and promotional materials, including signs, posters, collaterals, etc. that we have prepared. We or our affiliates will retain all copyrights relating to such advertising materials.



## 11. TRAINING AND SUPPORT

### 11.1 Management Training Program.

A. Required Trainees. The required trainees that we designate on Schedule A (collectively, “**Required Trainees**”) must attend and successfully complete the initial management training program for Businesses (the “**Management Training Program**”). All trainees must be over the age of 18 years and must meet any minimum experience requirements that we specify. In addition, we may, in our sole discretion, require your Primary Contact, if they will not be involved in the day-to-day operation of the Franchised Business, to complete a limited version of the Management Training Program to our satisfaction. If any of your Required Trainees have previously attended and successfully completed our Management Training Program and you or they have not defaulted under any other franchise agreement with us, we may, in our sole discretion, determine that such Required Trainee is not required to attend the Management Training Program again or will be required to attend a modified Management Training Program.

B. Training Fees. Except as otherwise provided in Schedule A and this Section 11.1.B., we will provide the Management Training Program at no additional charge for any Required Trainees. We reserve the right to charge you a reasonable training fee if (i) you elect to bring additional trainees, other than the Required Trainees, to the Management Training Program, (ii) your Required Trainees are trained in separate sessions, or (iii) we provide the Management Training Program to your Subsequent Trainees (as defined in Section 11.F. (Subsequent Trainees)).

C. Attending Training. We will provide, or designate other parties to provide on our behalf, the Management Training Program periodically and permit you to register for an available program. Training programs are subject to space and time availability. All or certain portions of the Management Training Program may, in our discretion, be conducted online or in person at our corporate headquarters and/or other locations authorized by us (which may include locations operated by other franchisees). Your trainees may not attend the Management Training Program until (i) you have provided us with your fully signed Lease (if required) in a form that we have approved, (ii) your Franchised Business is under construction, and (iii) you have provided us with evidence of the insurance that is required under your Franchise Agreement.

D. Completion of Training. All of your Required Trainees must successfully complete our Management Training Program before they may be involved in the operation of your Franchised Business. A minimum number of Required Trainees, as specified in Schedule A, must successfully complete the Management Training Program by the deadline specified in Schedule A. We have the right in our reasonable discretion to determine whether a trainee has successfully completed the Management Training Program. If we conclude that a Required Trainee has failed to successfully complete the Management Training Program, that Required Trainee must re-enroll in our next scheduled applicable Management Training Program at no additional charge. We will have the right to terminate this Agreement if, following the Management Training Program and re-enrollment training, if any, the minimum number of Required Trainees have not successfully completed the Management Training Program.

E. Training of You by Franchisees. We may, in our sole discretion, authorize certain franchisees to provide on our behalf all or portions of the Management Training Program in accordance with our Standards, provided such franchisees (i) have a Certified Training Manager (as defined below), (ii) operate a Certified Training Business (as defined below), and (iii) meet other requirements that we specify. If we require or permit you to receive portions of the

Management Training Program from another franchisee, we may require you to execute an agreement with such other franchisee regarding the training program.

F. Subsequent Trainees. Any Managers, Primary Contacts, Directors of Operations (as defined in Section 12.7.B. (Directors of Operations)) that you hire or appoint after the opening of the Franchised Business and any other persons we designate (“**Subsequent Trainees**”) must attend and successfully complete our Management Training Program (or a modified version that we prescribe) before becoming involved in the operation of your Franchised Business. We may require employees that transfer to your Franchised Business from another Business to successfully complete the Management Training Program again. We also may require you to send or resend your Managers (as defined below) or employees to the Management Training Program, and require them to successfully complete it, if we have identified operational or performance issues at your Franchised Business. We reserve the right to charge you a reasonable training fee for each Subsequent Trainee that attends a Management Training Program.

G. Training By You.

(i) Management Training. If you and your affiliates collectively operate two or more Franchised Businesses, we may, in our sole discretion, require or permit you or your affiliates to provide the Management Training Program to your Required Trainees or Subsequent Trainees.

(ii) Certification Required. If we require or permit you or your affiliates to provide the Management Training Program to your trainees, before you or they may do so, one or more of your or their Franchised Businesses must be certified by us as an authorized training facility (a “**Certified Training Business**”) and one or more of your or their Managers must be certified by us as a trainer authorized to provide our Management Training Program to your trainees (a “**Certified Training Manager**”). To be designated as a Certified Training Manager, a Manager must (a) complete our Management Training Program at least six months before applying for certification, (b) maintain specific food safety programs, (c) attend any required additional training program, and (d) meet other qualifications that we may specify from time to time. To be designated as a Certified Training Business, a Franchised Business must (1) meet compliance scores that we specify, (2) fully comply with our then-current Standards, (3) employ the minimum number of Managers specified in Section 12.7 (Your Participation; Manager), in addition to the Certified Training Manager, and (4) meet any other requirements that we may specify from time to time. We may, in our sole discretion and at any time, (x) grant, withhold, or revoke certification for a Certified Training Business or a Certified Training Manager or (y) change the minimum requirements for certification of a Certified Training Business or a Certified Training Manager. We may require Certified Training Managers to be recertified if they transfer from one Franchised Business to another, if they no longer meet our then-current requirements, or annually. If a Certified Training Manager ceases to be a Manager of a Certified Training Business or has their certification revoked, such Franchised Business must be re-certified as a Certified Training Business before offering training again.

(iii) Provision of Training. If we certify a Certified Training Business and Certified Training Manager, such Certified Training Manager must provide the Management Training Program at a Certified Training Business in accordance with our Standards for such training. If we withhold or revoke certification of your Certified Training Business, we may require your trainees to attend the Management Training Program at another location that we designate and may charge our then-current training fee (if any) for such training.

11.2 On-Site Training. Except as may be specified on Schedule A, we are not required to provide any on-site training or consultation at the site of your Franchised Business (the “**On-Site Training**”). You may request that we provide you with On-Site Training. We may agree to provide On-Site Training but will not be obligated to do so. We may also, in our sole discretion, require that you obtain On-Site Training at any time, including in the days or weeks before and/or after your Opening Date and/or if you fail to comply with the System and Standards. We may charge you a reasonable fee for On-Site Training, which may include a daily or hourly fee for each of our trainers and reimbursement for their travel and living expenses (including airfare, car expenses, lodging, meals, etc.) during such On-Site Training.

11.3 Additional Programs. We may, from time to time, conduct conferences, conventions, programs, webinars, teleconferences, or additional or refresher training sessions on any matters related to the System (“**Additional Programs**”). We will determine the duration, curriculum, and location of such Additional Programs, which may take the form of web-based training modules, webinars, seminars, in-person training, or on-site training. Your Required Trainees, Primary Contact, Owners, and other personnel we designate must attend any Additional Programs that we require. We may charge you a reasonable fee for your trainees to attend any Additional Program.

11.4 Other Training Terms.

A. Modifications. We reserve the right to modify our Management Training Program, Additional Programs, or any other training programs at any time, including the timing, frequency, content, format, and location of training.

B. Training Platform. We may require you to purchase or license from us, our affiliates, or Approved Suppliers any training platform and equipment necessary to use or access the training materials.

C. Expenses and Compensation. You will pay all expenses you and your personnel incur for any training programs, including your/their travel, food, lodging, compensation, and benefit expenses. We will not pay any compensation for any services you and your personnel perform in any training program. You must purchase uniforms for any of your trainees that attend our Management Training Program.

D. Cancellation Fee. If you or your trainees fail to cancel any scheduled training without at least 14 days’ prior notice, or if you or your trainees are not prepared to successfully participate in any scheduled training, we may charge you the cost of conducting the originally scheduled training (including any training fees and any travel and living expenses incurred by our representatives) and you may have to pay an additional fee for the rescheduled training.

11.5 Additional Consulting Services. After you open your Franchised Business, we may furnish you with support services as we deem appropriate. We also may offer you additional consulting or support services, including On-Site Training and remote support, that are greater in scope than our standard support services. We may charge you a reasonable fee for these services which may include a daily or hourly fee for each of our representatives and, for On-Site Training, reimbursement for their travel and living expenses (including airfare, car expenses, lodging, meals, etc.). Additional consulting or support services are subject to availability and shall be offered in our sole discretion.

## 12. YOUR OBLIGATIONS

The following obligations are in addition to your other obligations in this Agreement:

12.1 Compliance with Laws. You will operate the Franchised Business in compliance with all applicable Laws, including all Laws related to labor, health, and safety. You will promptly furnish to us copies of all fire, health, or other inspection reports, warnings, certificates, and ratings issued by any government agency, and must immediately provide us with any such items that assert any failure to comply strictly with any Law. If required by the jurisdiction where the Franchised Business is located, you will file for and maintain a Certificate of Fictitious Name that includes the Primary Mark. You also shall comply with (a) all applicable contractual requirements (e.g., PCI-DSS), Laws, or standards, or any equivalent thereof, relating to the collection, use, and security of personal information and (b) any privacy policies or data protection and breach response policies we periodically may establish, including those set forth in Section 12.3 (Data Breach Notification).

12.2 Compliance with Electronic Payment Standards. You must abide by: (a) the Payment Card Industry Data Security Standards (“**PCI-DSS**”) enacted by the applicable Card Associations (as they may be modified from time to time or as successor standards are adopted); (b) the Fair and Accurate Credit Transactions Act (“**FACTA**”); and (c) all other standards, laws, rules, regulations or any equivalent thereof applicable to electronic payments that may be published from time to time by payment card companies and applicable to electronic payments (“**Electronic Payment Requirements**”). We require that you use vendors (and may require you to use one or more Approved Suppliers that we designate) to provide security services that are consistent with PCI-DSS, FACTA, and applicable Electronic Payment Requirements. We currently require you to use a managed firewall, conduct a quarterly network scan, maintain anti-virus/anti-malware software, and use managed Wi-Fi, but we may modify from time to time the specific security measures that you must maintain. We require that you submit annually proof of your PCI-DSS compliance status, and we may require you to provide evidence of compliance with FACTA or applicable Electronic Payment Requirements upon our request. We may require you to use vendors or Approved Suppliers to conduct periodic security audits to ensure that personal data is adequately protected. We may require you to provide, or make available, to us copies of any audits, scanning results, or related documentation relating to such compliance or audits. We may charge a reasonable fee for us to review your systems and verify your compliance with these requirements. If you suspect or know of a security breach, you must immediately give us notice of such security breach and promptly identify and remediate the source of any compromise or security breach at your expense. You assume all responsibility for providing all notices of breach or compromise and all duties to monitor credit histories and transactions concerning customers of the Franchised Business.

12.3 Data Breach Notification. If you learn of an incident that may be a “breach of the security of the system” under Cal. Civ. Code § 1798.82 or any other data breach notification Law, you must immediately notify us of the facts that are known about the incident (a “**Data Breach**”). Although you are responsible for complying with all data breach notification Laws and standards applicable to your organization, we expect that you will coordinate with us regarding such incidents where notification to individuals is required before individuals are notified so that we can be aware of and be prepared to address issues that may affect the System and be in a position to support you where possible. In the event of an actual or suspected Data Breach, you grant us and our designees and agents the right, exercisable in our sole and absolute discretion, to conduct an investigation of the incident and to install, run, and maintain any hardware, software, or code on your Computer System or in your computer network necessary or advisable to facilitate the

investigation and to contain and remediate the incident, and you agree to cooperate with us and to provide us with any access and information we may reasonably request for those purposes. Nothing in the preceding sentence shall relieve you of your obligation to comply with applicable laws, regulations, rules, standards or any equivalent thereof concerning an actual or suspected Data Breach. You are responsible for any costs or financial losses you incur or remedial actions that you must take as a result of an actual or suspected Data Breach.

#### 12.4 Failure to Comply with Laws or Standards.

A. Suspension of Operations. If: (i) any Approved Product you produce or sell evidences dilution or adulteration from the Standards; (ii) any Approved Product you produce or sell is contaminated or is otherwise in violation of applicable Law; (iii) you fail to maintain the Franchised Business in compliance with applicable Law; or (iv) your Franchised Business or Approved Products pose a threat to the health or safety of the public, you must immediately suspend operations, search out and destroy any adulterated, diluted, or contaminated Approved Products, eliminate their source, and remedy all unsanitary, unsafe, or otherwise hazardous conditions present. You may not resume operation of the Franchised Business until our laboratory analysis of your Approved Products or inspection of your Franchised Business, as applicable, demonstrates compliance with all applicable Laws and Standards. You must promptly implement any remedial measures we require to cure the default. If we conclude through any examination, analysis, and/or inspection that the Approved Products have been adulterated in any way or that your Franchised Business is not in compliance with applicable Laws, you shall, upon demand, reimburse us for all reasonable expenses connected with any such examination, analysis, or inspection under this Agreement (including reasonable product analysis fees).

B. Additional Remedies. If: (i) we determine that a violation of Section 12.4.A. (Suspension of Operations) has occurred and that you have committed a similar violation within the one-year period before the date of the inspection or analysis; (ii) you fail or refuse to comply with any or all of the remedial measures we require; (iii) you fail to provide us with full cooperation in the course of any inspection or analysis we conduct; or (iv) we determine that there has been any repetition during the Term of any occurrence under Section 12.4.A., then you will pay us a fee for the inspection or analysis in the amount of \$5,000; plus the travel and living expenses of our inspectors or representatives and any other expenses we incur in connection with this Section, including our attorneys' fees.

C. Remedies Not Exclusive. The remedies stated in this Section 12.4 are in addition to, and not in substitution of, any other remedies stated in this Section 12.4 or elsewhere in this Agreement. Nothing in this Section 12.4 limits any of our rights under Section 17 (Default and Termination), including the right to terminate this Agreement.

D. Non-compliance Fees. If you fail to comply with any of the Standards or any provision of this Agreement, in addition to any other remedies we may be entitled to, we reserve the right to charge you one or more non-compliance fees upon written notice to you. The non-compliance fees shall be specified in the Manuals or otherwise in writing, may be modified from time to time upon written notice to you, may be charged repeatedly (as frequently as daily) if the non-compliance is ongoing, and may vary based on the severity of the defaults, the number of the defaults, and whether the defaults have been repeated.

12.5 Continuing Maintenance. You acknowledge and agree that it is in your best interest, and in the best interests of the franchise network, that your Franchised Business be clean, up-to-date, well-maintained, and well-appointed. You must continuously maintain the interior and exterior of

the Franchised Business (including the parking lot, walkways, and landscaping that is part of the Accepted Location), and all furniture, fixtures, equipment, décor, and signage in or at the Franchised Business, in the highest degree of cleanliness, orderliness, sanitation, and repair in accordance with all applicable Laws and Standards. You agree, at your expense and at intervals that we may periodically designate, as needed, or at our direction, to promptly take the following continuing maintenance actions throughout the Term: (i) thorough cleaning (which may include professional cleaning), (ii) repainting and making minor alterations to the décor of the interior and exterior of the Franchised Business; (iii) interior and exterior repair of the Franchised Business; and (iv) repair or replacement of damaged, worn-out, malfunctioning, non-functioning, or obsolete furniture, fixtures, equipment, décor, and signage. You may not make any material alteration to the interior or exterior of the Franchised Business without our prior written consent.

## 12.6 Refreshes and Remodels.

A. Refresh. Within six months after the fifth and the fifteenth anniversaries of the Opening Date, you must, at your sole expense and in accordance with our then-current Standards and directives, refresh, refurbish, and renovate the Franchised Business to meet our then-current operational and branding Standards (a “**Refresh**”). Generally, a Refresh will require you to add, update, and/or replace components of the Franchised Business (including merchandising elements, graphics, paint or wall coverings, menu boards, interior and exterior signage, kitchen equipment, drive-thru equipment, Computer System components, and other furniture, fixtures, equipment, and décor that we may specify in our sole discretion) to meet our then-current Standards without significantly altering your Franchised Business’ layout or structure.

B. Remodel. Within six months after the tenth and (if you are entering into a Successor Term) twentieth anniversaries of the Opening Date, you must, at your sole expense and in accordance with our then-current Standards and directives, remodel, refurbish, renovate, and modernize the Franchised Business to meet our then-current operational, branding, and architectural design Standards (a “**Remodel**”). Generally, a Remodel may include all of the modifications, upgrades, and replacements required in a Refresh, plus other more extensive alterations to your Franchised Business’ layout, structure, or design, such as redesigning the interior and exterior appearance and interior layout of the Franchised Business or adding a drive-thru to a Franchised Business.

C. Process for Refreshes and Remodels. Before you begin a Refresh or a Remodel, we, our affiliate, or our designee will in-person or virtually inspect your Franchised Business and produce a site survey and/or design plan that will comply with our then-current Standards. We may require you to pay us, our affiliate, or our designee a reasonable fee for producing such site survey and/or design plan. All plans, designs, furniture, fixtures, equipment, and décor related to a Refresh or a Remodel must be approved by us in writing, must conform to our then-current Standards and applicable Laws, and, if we so require, must be purchased from Approved Suppliers we designate or approve in writing. For each Remodel, you must comply with Sections 6.1 (Leasehold Improvements), 6.2 (Architectural Plans), and 6.3 (Construction, Inspection, and Government Approvals) of this Agreement. You acknowledge that each Refresh or Remodel may require you to make a significant capital investment into your Franchised Business. You agree to incur, without limitation, any capital expenditures required in order to comply with this obligation and our requirements (even if those expenditures cannot be amortized over the remaining Term).

D. Requirements Are Not Exclusive. The requirements set forth in this Section are in addition to, and do not limit, your obligation to add, update, and/or replace components of the Franchised Business from time to time as specified in other Sections of this Agreement, including

Section 8.3 (Changes to the Standards and the Manuals) and Section 12.5 (Continuing Maintenance).

#### 12.7 Your Participation; Manager.

A. Participation and Managers. You must devote your best efforts to the proper and effective operation of the Franchised Business. Your Franchised Business must employ or be assigned the minimum number of dedicated Managers specified in Schedule A. Your Managers must have day-to-day management responsibility for your Franchised Business, exercise on-premises supervision, and personally participate in the direct operation of the Franchised Business. You (if you are an individual) or your Primary Contact may, but are not required to, serve as a Manager for the Franchised Business, provided that you or they otherwise qualify for the position.

B. Director of Operations. If you and your affiliates operate four or more Franchised Businesses, in addition to the Managers for each Franchised Business that you operate, we may require you to appoint one or more Managers with the responsibility of supervising and supporting multiple Franchised Businesses (each, a “**Director of Operations**”).

C. Qualifications. Each Manager and Director of Operations must successfully complete the Management Training Program, satisfy any other minimum standards we may require for their position, and complete additional training and On-Site Training as we may specify.

D. Changes to Managers and Directors of Operations. You must inform us in writing of the identity of any Managers and Directors of Operations. You must notify us immediately of the death, disability, termination of employment, or replacement of any of your Managers (including any Director of Operations) and must designate a successor or acting Manager or Director of Operations within 30 days after the death, disability, or termination of the predecessor.

12.8 Computer System. You must promptly purchase, lease and/or license and install at the Franchised Business, at your sole expense, the computerized point-of-sale system, computer systems, mobile hardware, software, associated computer hardware, telephone lines, network connections, communications equipment, high speed internet access (e.g. DSL or cable), and other equipment that we require from time to time (the “**Computer System**”), all of which you must keep in good maintenance and repair. You must use the Computer System in accordance with our Standards. We have the right to retrieve all data from your Computer System that we deem appropriate and we may require you to obtain polling services we specify. We or a designated Approved Supplier will be the provider for the polling services and you must pay all polling fees or service fees charged by such provider for such polling services. If it becomes advisable at any time, in our sole discretion, for us to change, upgrade, or discontinue use of any of the components of the Computer System, you will comply with our directions, at your expense, within a reasonable time after notice to you. We will have no liability or obligation whatsoever with respect to our requirement that you modify or discontinue use of any of the components of the Computer System or any unauthorized modifications to the Computer System that you make. We may require you to enter into agreements with, and pay a reasonable fee to, us, our affiliates, or Approved Suppliers for required modifications and enhancements to the Computer System or other maintenance and support programs.

12.9 Customer Card Programs. At your expense, you must fully participate in gift card programs, loyalty programs, credit card programs, customer tracking programs, incentive programs, reward programs, and other types of programs (“**Customer Card Programs**”) that we

develop or designate to support and promote the System. You must comply with all our procedures and policies for Customer Card Programs in the Manuals. You will, at your sole expense, promptly install at the Franchised Business any acceptance system for Customer Card Programs and/or hardware and software necessary for Customer Card Programs to operate with the Computer System. You must also obtain any services and supplies we require in connection with Customer Card Programs and pay all fees charged by us, our affiliates, or our Approved Suppliers in connection with Customer Card Programs. Customer Card Programs may use aspects of the Computer System.

12.10 Hours of Operation. You must continuously operate the Franchised Business on the days and during the minimum hours we specify. You may establish days and hours of operation in excess of the required minimum days and hours. If you wish to operate the Franchised Business for less than the minimum days and hours we specify, you must obtain our prior written approval, which will not be unreasonably withheld. If the Franchised Business is located in a facility or location in which the hours of operation required by the landlord are different than our specifications, you may operate the Franchised Business in accordance with the landlord's requirements.

12.11 Purchasing and Distribution Cooperatives. You must (i) become a member of any purchasing and/or distribution cooperative(s)/association(s)/program(s) (collectively, "**Purchasing Programs**"), if any, that we designate and/or establish for the System by the deadlines that we specify (which shall be before your Opening Date if we have already established such a Purchasing Program), (ii) remain a member in good standing thereof throughout the Term, and (iii) pay all reasonable membership fees assessed by any Purchasing Program.

12.12 Prices. We reserve the right, to the fullest extent allowed by applicable law, to establish maximum, minimum, or other pricing requirements with respect to the prices you may charge for Approved Products, including required participation in System-wide discount programs and promotions. If we do not establish such pricing requirements, then you will have the right to determine the prices you charge.

### 13. INDEMNIFICATION; INSURANCE

#### 13.1 Indemnification.

A. Indemnification Obligation. You must defend, indemnify, and hold harmless us and our affiliates, our and their permitted successors and assigns, and each of our and their respective direct and indirect owners, directors, officers, managers, employees, agents, attorneys, and representatives (collectively, the "**Indemnified Parties**") from and against all Losses (defined below), which any of the Indemnified Parties may suffer, sustain, or incur as a result of a claim asserted or inquiry made formally or informally, or a legal action, investigation, or other proceeding brought, by a third party and directly or indirectly arising out of or relating to: (i) the operation of the Franchised Business; (ii) the business you conduct under this Agreement; (iii) your breach of this Agreement; (iv) your noncompliance or alleged noncompliance with any Law; or (v) any allegation that we or another Indemnified Party is a joint employer or otherwise responsible for your acts or omissions relating to your employees. "**Losses**" include all obligations, liabilities, damages (actual, consequential, or otherwise), and reasonable defense costs that any Indemnified Party incurs. Defense costs include arbitrators', attorneys', and expert witness fees, costs of investigation and proof of facts, court costs, travel and living expenses, and other expenses of litigation, arbitration, or alternative dispute resolution, regardless of whether litigation, arbitration, or alternative dispute resolution is commenced.



B. Indemnification Procedure. We will promptly notify you of any claim that may give rise to a claim of indemnity hereunder, provided, however, that the failure to provide such notice shall not release you from your indemnification obligations under this Section 13.1, except to the extent you are actually and materially prejudiced by such failure. You shall have the right, upon written notice delivered to the Indemnified Party within 15 days thereafter assuming full responsibility for Losses resulting from such claim, to assume and control the defense of such claim, including the employment of counsel reasonably satisfactory to the Indemnified Party and the payment of the fees and disbursements of such counsel. If (i) the Indemnified Party shall have been advised by counsel that there are one or more legal or equitable defenses available to it that are different from or in addition to those available to you and, in the reasonable opinion of the Indemnified Party, the counsel that you have selected could not adequately represent the interests of the Indemnified Party because such interests could be in conflict with your interests, (ii) you do not assume responsibility for such Losses in a timely manner, (iii) the claim involves any elements of the Intellectual Property, or (iv) you fail to defend a claim with counsel reasonably satisfactory to the Indemnified Party as contemplated above, then the Indemnified Party shall have the right to assume the defense of any claims and employ counsel of its own choosing and you shall pay the reasonable fees and disbursements of such Indemnified Party's counsel as incurred; provided that in any case, you shall not be obligated to pay the expenses of more than one separate counsel for all Indemnified Parties taken together. In connection with any claim, the Indemnified Party or you, whichever is not assuming the defense of such claim, shall have the right to participate in such claim and to retain its own counsel at such party's own expense.

C. Cooperation and Settlement. You or the Indemnified Party (as the case may be) shall keep you or the Indemnified Party (as the case may be) reasonably apprised of, and shall respond to any reasonable requests concerning, the status of the defense of any claim of which it is maintaining, and shall cooperate in good faith with each other with respect to the defense of any such claim. You shall not, without the prior written consent of the Indemnified Parties, (a) settle or compromise any claim or consent to the entry of any judgment with respect to any claim which does not include a written release from liability of such claim for the Indemnified Parties, or (b) settle or compromise any claim in any manner that may adversely affect the Indemnified Parties other than as a result of money damages or other monetary payments which will be paid by you. No claim which is being defended in good faith by you in accordance with the terms of this Section 13.1 shall be settled by the Indemnified Parties without your prior written consent.

D. Willful Misconduct or Gross Negligence. You have no obligation to indemnify or hold harmless an Indemnified Party for, and we will reimburse you for, any Losses to the extent they are determined in a final, unappealable ruling issued by a court or arbitrator with competent jurisdiction to have been caused solely and directly by the Indemnified Party's gross negligence, willful misconduct, or willful wrongful omissions. However, nothing in this Section 13.1.D. limits your obligation to defend us and the other Indemnified Parties under Section 13.1.A. (Indemnification Obligation).

E. Survival and Recovery. Your obligations in this Section 13.1 will continue in full force and effect subsequent to and notwithstanding this Agreement's expiration or termination. An Indemnified Party need not seek recovery from any insurer or other third party, or otherwise mitigate its Losses, in order to maintain and recover fully a claim against you under this Section 13.1. You agree that a failure to pursue a recovery or mitigate a Loss will not reduce or alter the amounts that an Indemnified Party may recover from you under this Section 13.1.

13.2 Required Insurance. You must obtain and maintain during the Term, at your expense, a comprehensive business insurance program, including property, commercial general liability,

automobile liability, business property, umbrella, workers' compensation, cyber liability and employment practices liability, and (if you serve alcohol) dram shop liability insurance. Your obligation to maintain this insurance will not be limited in any way by reason of any insurance that we may maintain, nor will it relieve you of your indemnity obligations stated in Section 13.1 (Indemnification). These policies are required to respond on a primary and non-contributory basis to any insurance carried by us or our affiliates and may not otherwise limit coverage for tort liabilities assumed in this Agreement. We may from time to time increase, decrease, add to, delete from, or modify the mandatory insurance coverages we require in accordance with reasonable and customary changes in the industry, as we determine. You currently must obtain and maintain the coverage specified in Schedule A. We reserve the right to obtain a master insurance policy on behalf of the System for certain types of coverage and require you to pay all or a portion of your proportionate share of coverage under the master policy to us or our Approved Supplier.

13.3 Carrier; Proof of Insurance. All insurance policies required under this Agreement: (i) must be issued by an insurance carrier authorized to conduct business in the state in which your Franchised Business is located and be rated "A-" (Excellent) / VIII (\$100M to \$250M policy holder surplus) or better by A.M. Best and Company, Inc., or its successor; (ii) must insure you and name us and our affiliates, our and their permitted successors and assigns, and each of our and their respective direct and indirect owners, directors, officers, managers, employees and agents as an additional insured for claims arising from your Franchised Business and your operations, and include a waiver of subrogation in favor of us; (iii) must stipulate that the insurer will deliver 30 days' written notice to us before any cancellation or modification, except 10 days for non-payment of premiums; (iv) unless otherwise noted, must be written on occurrence based policy forms; and (v) may not be subject to unreasonable deductibles or retentions without our prior written approval. You must deliver proof of your compliance with this Section to us so that we receive proof: (a) before you start construction of the Franchised Business; (b) annually on the expiration, renewal, or replacement of each policy; and (c) within 10 days after we make any demand therefor. If you fail to obtain and maintain the required insurance, in addition to any other rights and remedies we may have, we may, but are not obligated to, procure such insurance for you without notice, and you shall pay, upon demand, the premiums and our costs in taking such action.

#### 14. RIGHT TO ACCESS; RECORDS; REPORTING

14.1 Inspections and Audits. We or any of our authorized agents may at any time during normal business hours (including pre-opening and post-closing) enter the Franchised Business or any other place where business related to the Franchised Business is conducted and: (i) conduct an operational audit to determine your material compliance, as we determine, with this Agreement; (ii) examine, analyze, and inspect the Franchised Business, the Proprietary Goods, the Approved Products, and any products produced and/or sold or distributed at, from, or through the Franchised Business (whether authorized or unauthorized); (iii) take reasonable samples of any the Proprietary Goods, the Approved Products, and any products produced and/or sold or distributed at, from, or through the Franchised Business (whether authorized or unauthorized), without charge or liability; (iv) videotape, photograph, or otherwise record the operation of the Franchised Business; (v) interview your employees, customers, landlords, and suppliers; and (vi) audit, review and examine by any means, including electronically through the use of telecommunications devices or otherwise, at our expense, your books, records, accounts, and tax returns related to the Franchised Business. We may require you to send us copies of your books, records, and files related to the Franchised Business, which you must provide to us or our representatives within a reasonable time (not to exceed 10 days) of our request. We also may require you to participate in customer satisfaction surveys or other audit programs, including electronically through the use of telecommunications devices or otherwise, to assess your

compliance with our customer service standards. You will provide us with full cooperation in the course of any inspection or audit we conduct under this Section. Any inspections will be made at our expense, unless the inspection is necessitated by your repeated or continuing failure to comply with any provision of this Agreement, in which case we may charge you the costs of making such inspection, including the wages and cost of travel and living expenses for our representatives.

14.2 Discrepancies. If any such inspection, audit, review, or examination reveals that Net Sales have been understated in any report to us, you must immediately pay to us the Royalty Fees and Advertising Contributions due with respect to the amount understated on demand, in addition to interest provided for under this Agreement. If any understatement exceeds 2% of Net Sales as stated in the report, you must, in addition, on demand, reimburse us for all reasonable expenses connected with the audit, review, or examination (including reasonable accounting and attorneys' fees). These remedies are in addition to any other rights and remedies we have.

14.3 Systems and Reports. You must: (i) comply with all our Standards on accounting systems, procedures, and formats, if any; (ii) timely submit to us complete and accurate financial, operational, and other reports we require (including weekly reports detailing the Gross Sales and Net Sales during the preceding week and monthly profit and loss statements for the prior month's operations); and (iii) use all forms we specify. You must submit any report by mail, telephone, electronic means, or any other means we may designate. For purposes of reporting to us only and not for purposes of calculating Royalty Fees and Advertising Contributions due, "Gross Sales" means Net Sales, plus the amount of any discounts from redemptions of coupons, and other reductions made to calculate Net Sales.

14.4 Financial Statements. On or before February 1<sup>st</sup> of each year (or such other date specified by us in the Manuals or otherwise in writing, which may be by email or other electronic communications), you must furnish to us a statement of the profit and loss of the Franchised Business for the last fiscal year and a balance sheet as of the end of the last fiscal year, prepared in accordance with our requirements and certified by you to be true and correct. We have the right to demand audited financial statements if a financial-related default has occurred under this Agreement within the last calendar year.

14.5 Tax Returns. No later than 90 days following our request, you must furnish to us exact copies of all tax returns, including federal, state, and any local income tax returns relating to the Franchised Business or you or your Entity.

14.6 Financial Records. You must accurately and completely record all revenues the Franchised Business receives or is entitled to receive. You must keep and maintain accurate and complete books, records, tax returns, and all business, personnel, financial, and operating records related to the Franchised Business, including related supporting material, such as bank statements, POS tapes/records, cash receipts and credit and charge records, for at least 3 years. These financial records may not be commingled with records for other businesses. If you have commingled your franchised records for various businesses, we have the right to review and audit the records for all commingled businesses.

14.7 Initial Investment Statements. You must submit to us, using the forms that we provide to you, complete and accurate statements of (i) the costs that you incurred developing the Franchised Business prior to the Opening Date, which shall be due to us within 30 calendar days after the Opening Date and (ii) the costs you incur during the first 90 days of operating your Franchised Business, which shall be due to us within 120 calendar days after the Opening Date.

14.8 Additional Information. You shall respond promptly to requests from us for clarification and/or additional information regarding any matter entrusted to you under this Agreement. You will inform us from time to time on our request of: (i) all prices you charge for Products you sell; and (ii) the prices your competitors charge in the area. We may use data and information derived from polling your Computer System or your financial reports and statements in any manner that we deem appropriate, including using the data in our Franchise Disclosure Document (the “FDD”), in performing market analyses, and in our promotional materials, provided that any information that we include in our FDD and promotional materials will not individually identify you or your Franchised Business.

14.9 Communications with Third Parties. You hereby grant us the right to release to your landlord, lender(s), or prospective landlord(s) and lender(s), any financial and operational information relating to you and/or the Franchised Business; however, we have no obligation to do so. Additionally, you grant permission to us to request information from your landlord and lender(s) and for such landlord and lender(s) to respond to any and all questions from us.

## 15. CONFIDENTIAL INFORMATION; RESTRICTIVE COVENANTS

15.1 Definitions. As used in this Agreement:

A. **“Confidential Information”** means any non-public information related to the System or information that, by its nature, would reasonably be expected to be held in confidence or kept secret. Without limiting the definition of “Confidential Information,” all the following will be conclusively presumed to be Confidential Information whether or not we designate them as such: (i) the Standards and Manuals; (ii) pricing information and models; (iii) materials describing our franchise network and System; (iv) plans, layouts, designs and specifications for a prototypical Business; (v) our methods of preparing and serving Approved Products, including Recipes; (vi) our sources (or prospective sources) of supply and all information related to or concerning the same, including the identity and pricing structures with our Approved Suppliers; (vii) our training materials; (viii) our marketing plans and development strategies; (ix) this Agreement and any related schedules, exhibits, attachments, or addenda and all terms contained therein; (x) Customer Information (as defined in Section 15.3 (Customer Information), whether collected by you, us or our affiliates, or a third party; and (xi) other information we give to you, except where such information is a Trade Secret (defined below).

B. **“Trade Secret”** means information that derives independent economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by, other persons who can obtain economic value from its disclosure or use. Without limiting the definition of **“Trade Secrets,”** all the following will be conclusively presumed to be Trade Secrets whether or not we designate them as such: (i) the composition of our Proprietary Goods; (ii) our Recipes; (iii) advertising, marketing, and public relations strategies; and (iv) our marketing analyses.

C. The terms “Confidential Information” and “Trade Secret” do not include: (i) information generally known to the public at the time we disclose it to you; (ii) information that becomes known to the public after we disclose it to you, unless it becomes known due to your breach of this Agreement or someone else’s breach of a duty to maintain confidentiality; or (iii) information you can prove was within your legitimate and unrestricted possession at the time we disclosed it to you.

15.2 Protection of Confidential Information and Trade Secrets. You agree that the Confidential Information and Trade Secrets are not, by definition, generally known in the trade, that they are beyond your present skill and experience, and that for you to develop the Confidential Information and Trade Secrets on your own would be expensive, time-consuming, and difficult. You agree that the Confidential Information and Trade Secrets provide you with a competitive advantage, that they will be economically valuable to you in the development of your Franchised Business, and that gaining access to Confidential Information and Trade Secrets is therefore a primary reason why you are entering into this Agreement. You specifically agree that these restrictions are applicable even before you open the Franchised Business since you will receive valuable information and training about the System and the operation of the Franchised Business before you begin operations of your Franchised Business. You agree that you are liable under this provision even if you do not open the Franchised Business as this Agreement requires. Accordingly, in consideration of our disclosure of the Confidential Information and Trade Secrets, you agree that:

A. You will not, during the Term:

(i) appropriate or use any Confidential Information or any Trade Secret for any purpose other than in accordance with this Agreement;

(ii) disclose or reveal any portion of the Confidential Information or any Trade Secret to any person, other than to your directors, officers, Owners, management employees, or others who: (a) have a legitimate business need to know of it to operate your Franchised Business, (b) are aware of the confidentiality restrictions in this Agreement, and (c) are similarly bound not to disclose the Confidential Information by an agreement at least as restrictive as the terms of this Agreement; or

(iii) divulge or use any Confidential Information or any Trade Secret for the benefit of any other person or Entity except as we expressly authorize.

B. You will not at any time after the termination or expiration of this Agreement: (i) use any Confidential Information for any purpose; or (ii) divulge or use any Confidential Information for the benefit of any other person or entity.

C. You will not at any time after the termination or expiration of this Agreement: (i) use any Trade Secret for any purpose; or (ii) divulge or use any Trade Secret for the benefit of any other person or entity.

D. You will not copy, duplicate, record, digitally reproduce, or otherwise reproduce any of the Confidential Information or Trade Secrets, in whole or in part, or otherwise make Confidential Information or Trade Secrets available to any third party, except as we authorize in this Agreement.

E. You will make all reasonable efforts and take all appropriate precautions to prevent unauthorized copying or disclosure of any Confidential Information or Trade Secrets which precautions will include, but not be limited to, restricting access to Confidential Information and Trade Secrets on a “need to know” basis.

### 15.3 Customer Information.

A. Protection of Customer Information. You must comply with our System Standards, other directions from us, and all applicable Laws regarding the organizational, physical, administrative and technical measures and security procedures to safeguard the confidentiality, integrity, and security of Customer Information on your Computer System or otherwise in your possession or control and, in any event, employ reasonable means to safeguard the confidentiality, integrity, and security of Customer Information. “**Customer Information**” means names, contact information, financial information, purchasing history, market research data, and other personal information of or relating to the customers and prospective customers of the Franchised Business.

B. Access to Customer Information. All Customer Information that you or your third-party vendors collect from customers and potential customers in connection with your Franchised Business must be furnished to us at any time that we request it. In addition, we and our affiliates, through the Computer System or otherwise, have the right to independently access the Customer Information.

C. Use of Customer Information. You must only use Customer Information to market Approved Products to customers in accordance with the policies that we may establish periodically and applicable Laws. You may not sell, transfer, or use Customer Information for any purpose other than marketing Approved Products and the Franchised Business. We and our affiliates may use Customer Information in any manner or for any purpose. You must secure from your customers, prospective customers, vendors, and others all consents and authorizations, and provide them all disclosures, that applicable Law requires to transmit Customer Information to us and our affiliates, and for us and our affiliates to use that Customer Information, in the manner that this Agreement contemplates.

15.4 Restrictive Covenants. For the purposes of this Agreement, “**Covenanting Personnel**” means you, your Owners, and your directors and officers, as added to, deleted from, or replaced from time to time. You agree that you will require all Covenanting Personnel to sign the Personal Covenants in Schedule B. You agree that you will comply with the following restrictions:

A. During the Term. During the Term, without our prior written consent, neither you nor any of your Covenanting Personnel, nor any person or entity controlling, controlled by, or under common control with you or them, will individually or jointly with others, directly or indirectly, by, through, on behalf of, or in conjunction with, any person or entity:

(i) own, manage, engage in, be employed by, advise, make loans to, participate in, consult for, or have any other interest in (a) any business that derives more than 20% of its annual revenue from the retail or wholesale production or sale of Competing Products (as defined in Schedule A), (b) any business that is the same as, or similar to, the Business concept as the concept evolves over time, or (c) any Entity that grants franchises or licenses for any of these types of businesses (each, a “**Competitive Business**”) other than the Franchised Business or another business you or they operate under an agreement with us;

(ii) divert or attempt to divert any business or potential business from the Franchised Business;

(iii) use any vendor relationship established through your association with us for any purpose other than to purchase products or equipment for use or retail sale in the Franchised Business; or

(iv) perform, directly or indirectly, any other act injurious or prejudicial to the goodwill associated with the Marks and the System.

B. Post-Term. Beginning at the expiration or termination of this Agreement and for 12 months thereafter or 12 months after a court of competent jurisdiction enters an order enforcing this Section 15.4 of this Agreement, whichever occurs last, (i) at the Accepted Location, (ii) within 3 miles of the Accepted Location, and (iii) within 3 miles of any Business, neither you nor any of your Covenantee Personnel, nor any person or entity controlling, controlled by, or under common control with you or them, will individually or jointly with others, directly or indirectly, by, through, on behalf of, or in conjunction with, any person or entity: (a) own, manage, engage in, be employed by, advise, make loans to, participate in, consult for, or have any other interest in a Competitive Business or (b) divert or attempt to divert any business from any Business.

C. Publicly Traded Corporations. Nothing in this Section 15.4 will prevent you from owning for investment purposes up to an aggregate of 5% of the capital stock of any Competitive Business, so long as the Competitive Business is a publicly held corporation whose stock is listed and traded on a national or regional stock exchange or through the National Association of Securities Dealers Automated Quotation System (NASDAQ), and so long as you do not control the company in question.

D. Acknowledgements. You acknowledge and agree that: (a) you and the other individuals and entities required to comply with this Section 15.4 have received or will receive an advantage through the training provided under this Agreement, the knowledge of the day-to-day operations of a Business, and access to the Standards, Manuals, System, Confidential Information, and Trade Secrets, and (b) the covenants and restrictions in this Section 15.4 (i) are reasonable, appropriate and necessary to protect the System, Confidential Information, Trade Secrets, other franchisees operating under the System, the goodwill of the System, relationships with our prospective and existing customers, and our legitimate interests; and (ii) do not cause undue hardship on you or any of the other individuals and entities required by this Section 15.4 to comply with the covenants and restrictions.

15.5 Remedies. This Section 15 is a primary inducement to us to enter into this Agreement, and on any breach of this Section 15 you agree that we would be irreparably injured and without adequate remedy at law. Therefore, on a breach or a threatened or attempted breach of this Section 15, you agree that we are entitled, in addition to any other remedies we may have under this Agreement or at law or in equity (including the right to terminate this Agreement), to a preliminary and permanent injunction and a decree for specific performance of the terms of this Section 15 without the necessity of showing actual or threatened damage and without being required to furnish a bond or other security. You agree that it is conclusively presumed that any violation of Section 15.4 (Restrictive Covenants) was accompanied by the misappropriation and inevitable disclosure of our Confidential Information, Trade Secrets, and other methods and procedures.

15.6 Modification. If any term in this Section 15 must be interpreted by a court or an arbitrator of competent jurisdiction, you expressly agree that: (i) the terms of this Section 15 are made freely and voluntarily by you and us, as two independent businesses, together with your Covenantee Personnel to whom we delivered due consideration, in an arms-length commercial transaction

between experienced business operators; (ii) in no event should the terms be construed in the same manner or under the same body of law as analogous terms in a contract of employment; (iii) if a court or arbitrator finds that any term in this Section 15 is invalid or unenforceable for any reason, that term will automatically be modified to the minimum extent necessary to make it valid and enforceable, and the modification will be deemed to have been a part of this Agreement as of the Effective Date; (iv) the court or arbitrator should strictly construe these terms in favor of enforcement; and (v) if any term could be construed two ways, one of which would render the term valid and the other of which would render the term invalid, the court or arbitrator will construe the term in the manner that renders it valid. Any dispute between you and us arising out of or related to Section 15.4 (Restrictive Covenants), regardless of the forum in which the dispute is litigated, arbitrated, or otherwise addressed for purposes of resolving the dispute, will be governed by and construed and enforced in accordance with the laws of the state in which your Accepted Location is located, which laws will prevail in the event of any conflict of law.

15.7 Unfair Competition. Your breach of any subsection of this Section 15 will constitute unfair competition. You agree that Section 15.2 (Protection of Confidential Information and Trade Secrets) is a reasonable effort under the circumstances to maintain the confidentiality of our Confidential Information and the secrecy of our Trade Secrets.

## 16. TRANSFER

16.1 Definition of Transfer. For purposes of this Agreement, “**Transfer**” as a verb means to sell, assign, give away, transfer, pledge, mortgage, or encumber, either voluntarily or by operation of law (such as through divorce or bankruptcy proceedings), any interest in this Agreement, the Franchised Business, substantially all the assets of the Franchised Business, or in the ownership of the franchisee (if you are an Entity). “**Transfer**” as a noun means any such sale, assignment, gift, transfer, pledge, mortgage, or encumbrance. A “**Control Transfer**” means any Transfer of (i) this Agreement or any interest in this Agreement; (ii) the Franchised Business or all or substantially all of the Franchised Business’s assets; or (iii) any Controlling Ownership Interest (defined below) in you (if you are an Entity), whether directly or indirectly through a transfer of legal or beneficial ownership interests in any Owner that is an Entity, and whether in one transaction or a series of related transactions, regardless of the time period over which these transactions take place. References to a “**Controlling Ownership Interest**” in you mean either (i) 20% or more of your direct or indirect legal or beneficial ownership interests in your Entity or (ii) an interest the acquisition of which grants the power (whether directly or indirectly) to direct or cause the direction of management and policies of you or the Franchised Business to any individual or Entity, or group of individuals or Entities, that did not have that power before that acquisition.

16.2 No Transfer Without Our Consent. This Agreement and the license are personal to you, and we have granted the license in reliance on your (and, if you are an Entity, your Owners’) business skill, financial capacity, and personal character. Accordingly, neither you nor any of the Owners or any successors to any part of your interest in this Agreement or the license may make any Transfer or permit any Transfer to occur without obtaining our prior written consent. Any purported Transfer, without our prior written consent, will be null and void and will constitute a default under this Agreement, for which we may terminate this Agreement without opportunity to cure.

A. Requesting Consent. If you or any of your Owners desire to make a Transfer, you must promptly provide us with written notice. You agree to provide any information and documentation relating to the proposed Transfer that we reasonably require. We have the right to



communicate with both you, your counsel, and the proposed transferee on any aspect of a proposed Transfer. No Control Transfer may be completed until at least 60 days after we receive all requested information to evaluate the proposed Control Transfer. No other Transfer may be completed until at least 30 days after we receive all requested information to evaluate such proposed Transfer.

B. Granting Consent. We have sole and absolute discretion to withhold our consent, except as otherwise provided in Sections 16.4 through 16.7. Without limiting the foregoing, we will not consent to a Transfer, and we are under no obligation to do so, if (i) your Franchised Business is not open and operating; or (ii) the Transfer would cause a transferee or its owners to breach another agreement (whether or not with us). Our consent to a Transfer does not constitute a waiver of any claims that we have against the transferor, nor is it a waiver of our right to demand exact compliance with the terms of this Agreement.

16.3 Control Transfer. For a proposed Control Transfer, in addition to any other conditions that we may specify and without limiting in any way our sole and absolute discretion to grant or withhold consent for a proposed Control Transfer, at a minimum, the following conditions must be satisfied (unless waived by us):

A. You notify us in writing at least 90 days prior to any proposed Control Transfer and provide all requested information at least 60 days prior to any proposed Control Transfer.

B. All sums you owe us and our affiliates are paid.

C. You are not (i) at the time of the Transfer request or the Transfer closing, in default in any material respect under this Agreement or any other agreement with us, or any of our affiliates, or any of our Approved Suppliers and (ii) you have not been during the Term, in default in any material respect under this Agreement or any other agreement with us, any of our affiliates, or any of our Approved Suppliers without curing such default within the applicable cure period.

D. The transferee and its proposed directors, officers, shareholders, partners, and members, as applicable, and its Manager and any other personnel we designate, who will be responsible for operating and managing the Business, satisfactorily complete before the date of Transfer our Management Training Program.

E. The transferee and its directors, officers, shareholders, partners, members, and managers, as applicable, meet our requirements for approval as new franchisees, including our requirements for proficiency in the English language. If the transferee, its affiliates, or any of its directors, officers, shareholders, partners, members, or managers owns an interest in another Business or another franchise licensed by one of our affiliates, those individuals or entities must (i) at the time of the Transfer request or the Transfer closing, not be in default in any material respect under any agreement with us, any of our affiliates, or any suppliers, (ii) during the previous two years, not have been in default in any material respect under any agreement with us, our affiliates, or any suppliers without curing such default within the applicable cure period, and (iii) in our sole judgment, have been approved to develop and operate additional franchises.

F. Notwithstanding when the Franchised Business was last remodeled, the transferee agrees in writing that it will, at its expense, upgrade, and remodel the Franchised Business to conform to our then-current Standards for quality and appearance and trade dress within the time we reasonably specify; provided, however, if the Franchised Business conforms

to our then-current Standards for appearance, the transferee will only address all items identified in the last quality assurance inspection, within the time we reasonably state.

G. The transferee signs our then-current form of franchise agreement and all other then-current related agreements as we require of new franchisees generally provided, however, the transferee will not be required to pay the initial franchise fee stated in the new franchise agreement and the term of the new franchise agreement will expire on the expiration date of the Term of this Agreement. The terms of our then-current franchise agreement, including the fees, may be materially different than the terms of this Agreement.

H. The transferee (and, if the transferee is not an individual, such owners of a legal or beneficial interest in the transferee as we may request) must (i) enter into a written assignment, in a form satisfactory to us, assuming and agreeing to discharge and guarantee all of your obligations under this Agreement and (ii) must execute our then-current form of personal guarantee.

I. You, all Owners and guarantors, the transferee, and all individual owners of the transferee, deliver to us a written and duly signed general release, in a form that we will prepare at our sole expense, of all claims against the Released Parties, which indemnifies the Released Parties against any statements, representations, or warranties that you may have made or given to the proposed transferee.

J. We receive a fully-signed copy of all Transfer documents.

K. You pay us a transfer fee equal to 50% of the amount of the then-current initial franchise fee.

L. You and your Owners must agree to remain liable for all of the obligations to us in connection with the Franchised Business arising before the effective date of the Transfer, and execute any and all instruments that we reasonably request to evidence such liability.

M. You must provide us with written notice from your landlord indicating that your landlord has agreed to transfer the Site Agreement to your transferee. If, as a condition of the Transfer, the lease is renewed or extended for one year or more, the then-current lease renewal fee (if any) will be assessed against the transferee.

N. We must determine, in our sole discretion, that the purchase price and payment terms will not adversely affect the operation of the Franchised Business, and if you or your Owners finance any part of the purchase price, you and they must agree that all obligations under promissory notes, agreements, or security interests reserved in the Franchised Business are subordinate to the transferee's obligation to pay all amounts due to us and our affiliates and otherwise to comply with this Agreement.

16.4 Non-Control Transfers. For any Transfer that does not result in a Control Transfer, you must give us advance notice and submit a copy of all proposed contracts and other information concerning the Transfer and transferee that we may request. We will have a reasonable time (not less than 30 days) after we have received all requested information to evaluate the proposed Transfer. You and/or your transferee must satisfy, in addition to others that we may specify, the conditions in Sections 16.3.B. (pay all sums owed), 16.3.C. (not in default), 16.3.E. (transferee meets qualifications), 16.3.H. (sign assignment and guaranty), 16.3.I. (sign general release), and 16.3.L. (remain liable for pre-Transfer obligations). You must pay us a transfer fee equal to 10%

of the then-current initial franchise fee. You and your Owners must sign the form of agreement and related documents that we then specify to reflect your new ownership structure. We may withhold our consent on any reasonable grounds or give our consent subject to reasonable conditions.

**16.5 Related Party Transfers.** Notwithstanding anything to the contrary in Section 16.3 (Control Transfer) or 16.4 (Non-Control Transfers), you may Transfer cumulatively (i) up to a 49% (100% on your death or disability) interest in this Agreement, the Franchised Business, or your Entity to your spouse, your parent, or your child or (ii) up to a 100% interest in this Agreement, the Franchised Business, or your Entity to any of the original guarantors to this Agreement, provided you (a) give us prior written notice of the Transfer; (b) you and/or your transferee comply with the conditions in Section 16.3.C. (not in default), 16.3.E. (transferee meets qualifications), 16.3.H. (sign assignment and guaranty), 16.3.I. (sign general release), and 16.3.L. (remain liable for pre-Transfer obligations); (c) you pay us a transfer fee equal to 10% of the then-current initial franchise fee; and (d) if the Transfer is of a Controlling Ownership Interest, the transferee and any other personnel we designate satisfactorily complete before the date of Transfer our Management Training Program.

**16.6 Transfer Upon Death Or Incapacity.** If you or any Owner dies, becomes incapacitated, or enters bankruptcy proceedings, that person's executor, administrator, personal representative, or trustee must apply to us in writing within three months after the event (death, declaration of incapacity, or filing of a bankruptcy petition) for consent to Transfer the person's interest. The Transfer will be subject to the provisions of this Section 16, as applicable, except there shall be no transfer fee due. For purposes of this Section, "incapacity" means any physical or mental infirmity that will prevent the person from performing his or her obligations under this Agreement (i) for a period of 30 or more consecutive days or (ii) for 60 or more total days during a calendar year. In the case of Transfer by bequest or by intestate succession, if the heirs or beneficiaries are unable to meet the conditions of Section 16.3.E. (transferee meets qualifications), the executor may Transfer the decedent's interest to another successor that we have approved, subject to all of the terms and conditions for Transfers contained in this Agreement. If an interest is not disposed of under this Section 16.6 within 180 days after the date of death or appointment of a personal representative or trustee, we may terminate this Agreement.

**16.7 Security Interests.** You may not grant any security interest in the Franchised Business, the assets used in the operation of the Franchised Business, or any direct or indirect legal and/or beneficial interest in you without our prior written consent, which will not be unreasonably withheld. Our consent may be conditioned, in our sole discretion, on the written agreement by the secured party that, in the event of a default by you under any agreement related to the security interest, we will have the right and option (but not the obligation) to purchase the rights of the secured party upon payment of all sums then due to the secured party. Any foreclosures or other exercise of the rights granted under that security interest are subject to all applicable terms and conditions of this Section 16. Notwithstanding the foregoing, however, you may grant, without obtaining our prior written approval, a security interest in the assets of the Franchised Business (not including this Agreement) to a lender for the sole purpose of financing your acquisition, development, and/or operation of the Franchised Business.

**16.8 Right of First Refusal.**

A. **Option Period.** If you receive and want to accept a *bona fide* written offer from a third party to purchase the Franchised Business or substantially all the interests in you (collectively, the "**Interest**"), you must give us: (i) prompt written notice of the offer, stating the

name and address of the prospective purchaser and the price and terms of the offer; and (ii) copies of all written documents and other information reasonably related to the offer provided by or to the prospective purchaser. For 30 days after we receive the information required by this Section (the “**Option Period**”), we will have the option to purchase the Interest on the same terms as the third party offers; provided, however, if any portion of the consideration the third party offers is other than cash, we will have the option of substituting the equivalent cash value.

B. Appraisal Process. If we cannot agree within a reasonable time on the equivalent cash value, the equivalent cash value will be determined by three independent appraisers using the following appraisal process (the “**Appraisal Process**”): (i) you will designate one appraiser and we will designate one appraiser, and the two appraisers that you and we designate will select a third appraiser, (ii) the majority determination of the three appraisers will be binding, (iii) each party will pay the appraiser’s fee for the appraiser designated by that party, and (iv) you and we will each pay 50% of the third appraiser’s fee.

C. Procedure. In order for us to have enough information to decide whether to exercise our option, you must promptly deliver to us, at our request, any information about the Franchised Business that we request not otherwise called for by this Agreement. If you comply with this Section 16.8 and we do not exercise our right of first refusal within the Option Period, you may, within 30 days after the expiration of the Option Period, sell, assign, and transfer the Interest to the third party specified in your notice in accordance with the terms and conditions of this Section 16. Any material change in the terms of the offer before closing of the sale to the third party will constitute a new offer, subject to the same rights of first refusal by us as in the case of an initial offer. Our failure to exercise our option under this Section 16.8 will not be a waiver of any other provision of this Agreement.

16.9 Restrictions on Advertising Sale of Franchised Business. You may not, without our prior written consent: (i) place in, on, or upon the Approved Location any advertisement for the transfer, sale, or other disposition of the Franchised Business or any ownership interest in you, (ii) use any Marks in advertising (in any form of media) the transfer, sale, or other disposition of the Franchised Business or any ownership interest in you, or (iii) list the Franchised Business or any ownership interest in you with any business broker, real estate broker, agent, or attorney.

16.10 Our Right to Transfer. We may Transfer all of our rights and obligations under this Agreement, provided that: (i) we, in our sole discretion, determine that the transferee under the Transfer is able to perform our obligations under this Agreement; and (ii) the transferee agrees, in writing, to perform our obligations under this Agreement. We are not required to obtain your consent for our Transfer. Following the effective date of the Transfer, you will look solely to the transferee, and not to us, for the performance of all obligations in this Agreement.

## 17. DEFAULT AND TERMINATION

17.1 Your Termination and Notice of Our Breach. You will have no right to terminate this Agreement. If we breach this Agreement, your sole remedy will be an arbitration proceeding under this Agreement.

17.2 Our Termination: No Opportunity to Cure. We have the right to terminate this Agreement without affording you any opportunity to cure the default, effective on our sending of notice of termination to you (or the earliest date permitted by applicable law) if:

A. You violate the restrictions related to the use of Confidential Information or Trade Secrets in Section 15 (Confidential Information; Restrictive Covenants) or you or any of your Covenanting Personnel violate the Restrictive Covenants in Section 15.4 (Restrictive Covenants).

B. You copy or permit others to copy any portion of the Manuals, except for forms and similar items included in them for the express purpose of copying, or fail to take all necessary precautions to ensure that the Manuals are kept free from theft, unauthorized copying, unauthorized access, fire, or other acts that may jeopardize the confidentiality of its contents.

C. You or any of your Covenanting Personnel: (i) are convicted of or plead no contest to a felony or a crime involving fraud or moral turpitude or any other crime that we deem likely to have an adverse effect on the good name, business, goodwill, image or reputation of the Franchised Business, the System, or the Marks, whether on a local, regional, or national scale (including any such convictions or pleas that occurred prior to the Effective Date that we learn of after the Effective Date); (ii) engage in fraudulent, deceptive, unethical, criminal, or other conduct that, in our determination, is likely to have an adverse effect on the good name, business, goodwill, image, or reputation of the Franchised Business, the System, or the Marks, whether on a local, regional, or national scale; (iii) make, or have made, any material misrepresentation to us related to the Franchised Business or this Agreement; or (iv) knowingly maintain false books or records or submit any false reports to us related to the Franchised Business.

D. You abandon the Franchised Business or otherwise voluntarily suspend operation of the Franchised Business without our prior written consent for five or more consecutive business days on which you were required to operate.

E. Your interest (or your affiliate's interest) in the lease or sublease for the Accepted Location is terminated or expires or you (or your affiliate) otherwise lose possession of the Accepted Location.

F. We send you two or more written notices of default under this Agreement for the same or a similar cause or reason in any consecutive 12-month period, whether or not cured.

G. You: (i) become insolvent by reason of an inability to pay debts as they come due; (ii) are adjudicated bankrupt; (iii) file a petition for bankruptcy protection; (iv) are the debtor in an involuntary bankruptcy petition that is not dismissed within 60 days; (v) are the debtor in an assignment for the benefit of creditors that is not dismissed within 60 days; (vi) are the subject of a voluntary or involuntary petition for reorganization or similar proceeding that is not dismissed within 60 days; (vii) are the subject of a petition for appointment of a receiver, permanent or temporary, that is not dismissed within 60 days; (viii) are the judgment debtor in any final judgment of \$10,000 or more and the judgment remains unsatisfied of record for more than 60 days, unless you have obtained an appeal bond covering the amount of your liability; (ix) have your bank accounts, property, or receivables attached and the attachment proceedings are not dismissed within 60 days; (x) have an execution levied against your Franchised Business or property and the execution is not dismissed within 60 days; or (xi) are the subject of any suit to foreclose any lien or mortgage related to the Franchised Business or the property thereof, and the suit is not dismissed within 60 days.

H. Your or any of your Owners' assets, property, or interests are blocked under any Law relating to terrorist activities, or you or any of your owners otherwise violate any such Law.

I. You fail to open the Franchised Business by the later of (i) the Opening Deadline or (ii) the last extension of time granted to you pursuant to Section 6.5.D (Failure to Meet Deadlines), if any.

J. You, your affiliates, and/or any entities owned by or affiliated with any of your Owners default under any other agreement between us and/or our affiliates, whether or not related to the Franchised Business, and fail to cure such default within any applicable cure periods (if any) under such agreement, provided that such default or failure to cure such default would permit us or our affiliate to terminate such agreement.

K. You operate your Franchised Business in any manner that we determine in our reasonable discretion poses a threat or danger to public health or safety, including, without limitation, if a public official requires you to close your Franchised Business as a result of your violation of any Laws relating to public health or safety.

L. You misuse or make any unauthorized use of the Marks.

17.3 Our Termination: Opportunity to Cure Within Cure Period. We have the right to terminate this Agreement for any of the defaults in this Section 17.3 after we send you a notice of default, if you fail to cure the default to our reasonable satisfaction within the time specified below (or the earliest date permitted by applicable law), without further notice or opportunity to cure if:

A. 24 hours after we send you a notice of default, you fail to cure a default for failing to grant us immediate access to your Franchised Business or any other place where business related to the Franchised Business is conducted to perform any of the inspections, audits, or copying described in this Agreement; or if in the course of an inspection, audit, or copying you fail to make the materials we request available to us or provide us with full cooperation in the course of the inspections, audits, or copying.

B. 24 hours after we send you a notice of default, you fail to cure a default related to any dilution or adulteration of Approved Products or any misrepresentation, substitution, or palming off of unapproved products from the Franchised Business.

C. 24 hours after we send you a notice of default, you fail to cure a default related to complying fully with all Laws, unless there is a bona fide dispute as to the violation or legality of a Law and you promptly resort to a court or other appropriate forum having jurisdiction to contest the violation or illegality.

D. 5 calendar days after we send you a notice of default, you fail to cure a default related to (i) selling, bartering, or exchanging, or attempting to sell, barter, or exchange, any Proprietary Goods or Approved Products at wholesale or retail, except as contemplated by this Agreement, (ii) failing to purchase all Goods from us, our affiliates, or our designated Approved Suppliers, or (iii) using any unapproved Goods in the Franchised Business.

E. 10 calendar days after we send you a notice of default, you fail to cure a default for failing to pay promptly when due all debts you owe us or our affiliates, all undisputed debts you owe our Approved Suppliers, and all taxes and other obligations you owe for the Franchised Business; including all federal, state, and local taxes, and all accounts payable of any nature.

F. 10 calendar days after we send you a notice of default, you fail to cure a default relating to obtaining the signing of the Personal Covenants required in Section 15.4 (Restrictive Covenants).

G. 10 calendar days after we send you a notice of default, you fail to cure a default under any mortgage, deed of trust, lease, or sublease of the Accepted Location.

H. 10 calendar days after we send you a notice of default, you fail to cure a default relating to Section 13.2 (Required Insurance) and/or Section 13.3 (Carrier; Proof of Insurance).

I. 10 calendar days after we send you a notice of default, you fail to cure a default relating to Section 14.3 (Systems and Reports).

J. 30 calendar days after we send you a notice of default, you fail to cure a default for failing to meet the Site Approval Deadline or the Construction Start Deadline.

K. 30 calendar days after we send you a notice of default, you fail to cure a default relating to maintaining accurate books of account and business and accounting records as required by this Agreement.

L. 30 calendar days after we send you a notice of default, you fail to cure any breach of any of your other obligations to us under this Agreement (including for a quality assurance inspection failure).

17.4 Suspension of Rights After Your Default. If you are in default of any obligation under this Agreement or our Standards, then we may, in addition to our other remedies, temporarily suspend, until you fully cure the default, your (i) access and use of the System, our websites (including your access or use of website pages), our applications, or our online ordering platforms and (ii) ability to purchase Goods, including Proprietary Goods and Approved Products. No such suspension shall constitute a waiver or election of remedies, and we reserve our right to terminate this Agreement in accordance with its provisions. All Royalty Fees, Advertising Contribution, and all other fees due under this Agreement will continue to accrue during the suspension period. We may also notify your lenders and landlord if you are in default of any obligations under this Agreement. Our consent, approval, or acceptance of any item may be withheld if you are in default under this Agreement or may be conditioned on the cure of all your defaults.

17.5 Other Remedies After Your Default. If you commit a default that cannot be cured as specified in Section 17.2 (Our Termination: No Opportunity to Cure) or if you fail to cure a default within the cure period specified in Section 17.3 (Our Termination: Opportunity to Cure Within Cure Period), if we do not exercise our right to terminate the Agreement, we may, at our sole election and upon delivery of written notice to you, take any or all of the following actions:

A. Suspend your access and use of the System or our websites (including your access or use of website pages), our applications, or our online ordering platforms;

B. Suspend your or the Franchised Business's participation in any programs or benefits we offer, including any programs or benefits that are funded by Advertising Contributions;

C. Suspend any other services that we or our affiliates provide to you under this Agreement or any other agreement;

D. Suspend or terminate any temporary or permanent fee reductions to which we might have agreed (whether as a policy, in an amendment to this Agreement, or otherwise);

E. Suspend our performance of, or compliance with, any of our obligations to you under this Agreement or other agreements; and/or

F. Undertake or perform on your behalf any obligation or duty that you are required to, but fail to, perform under this Agreement. You will reimburse us upon demand for all costs and expenses that we reasonably incur in performing any such obligation or duty.

17.6 Exercise of Other Remedies. Our exercise of our rights under Section 17.4 (Suspension of Rights After Your Default) and 17.5 (Other Remedies After Your Default) will not (i) be a defense for you to our enforcement of any other provision of this Agreement or waive or release you from any of your other obligations under this Agreement, (ii) be a defense at law or equity based on impossibility of your performance or any claim against us or our Approved Suppliers, (iii) constitute an actual or constructive termination of this Agreement, or (iv) be our sole or exclusive remedy for your default. You must continue to pay all fees and otherwise comply with all of your obligations under this Agreement following our exercise of any of these rights. If we exercise any of our rights under Section 17.5, we may thereafter terminate this Agreement without providing you any additional corrective or cure period, unless the default giving rise to our right to terminate this Agreement has been cured to our reasonable satisfaction.

## 18. OBLIGATIONS ON EXPIRATION OR TERMINATION

18.1 General Obligations. On expiration or termination of this Agreement for any reason, you must:

A. Immediately cease using the System, including the Marks and any confusingly similar names, marks, commercial symbols, systems, insignia, symbols, color schemes, trade dress, designs, procedures, domain names, and methods. If you fail or refuse to make changes to the Franchised Business required to distinguish the Franchised Business from its former appearance, we have the right, in addition to all other remedies, to enter the Accepted Location and make the required changes on your behalf, and you must pay to us the entire costs we incur in making the changes, including interest from the date of demand, plus an administrative fee in an amount equal to 15% of the entire cost of the changes.

B. Immediately return to us: (i) all hard copies and electronic copies (capable of being returned) of the Confidential Information and Trade Secrets, including the Manuals, together with all copies of any of them; and (ii) all other manuals, records, files, instructions, correspondence and other materials relating to the operation of the Franchised Business ("**Other Materials**"). If you have on your computer systems, your e-mail accounts, or other digital storage systems or services copies of the Confidential Information, Trade Secrets, and/or Other Materials, you must immediately erase these copies. You must provide us with a certification attesting to the fact that all copies of the Confidential Information, Trade Secrets, and Other Materials in your control or the control of your officers, directors, owners, employees, agents, and representatives have been returned or destroyed in accordance with this Section.

C. Within 5 days after expiration or termination, pay us and our affiliates the full amount you owe us and them.



D. Immediately stop identifying yourself in any way as our franchisee or former franchisee.

E. Immediately comply with the restrictive covenants in Section 15 (Confidential Information; Restrictive Covenants).

F. Immediately take all action required (i) to cancel all assumed name or equivalent registrations relating to your use of the Marks and (ii) to cancel or transfer to us or our designee all authorized and unauthorized domain names, social media accounts, telephone numbers, post office boxes, and classified and other directory listings relating to, or used in connection with, the Franchised Business or the Marks (collectively, “**Identifiers**”). You acknowledge that as between you and us, we have the sole rights to and interest in all Identifiers. If you fail to comply with this Section 18.1.F., you hereby authorize us and irrevocably appoint us or our designee as your attorney-in-fact to direct the telephone company, postal service, registrar, Internet Service Provider and all listing agencies to transfer such Identifiers to us. The telephone company, the postal service, registrars, Internet Service Providers and each listing agency may accept such direction by us pursuant to this Agreement as conclusive evidence of our exclusive rights in such Identifiers and our authority to direct their transfer; and

G. Promptly sign all documents and take all other actions as we deem necessary to effect the intent and provisions of this Section 18.1.

18.2 Reinstatement. If this Agreement is terminated under Section 17.2.K (Franchised Business poses a threat to public health and safety), we may, in our sole discretion, permit you to apply for reinstatement of this Agreement within 7 days of the effective date of termination, after the first termination only. Our approval of reinstatement will not be unreasonably withheld, and will be subject to the following conditions. You must:

A. Cure the default that led to the termination of this Agreement;

B. Pay us all fees due us, including Royalty Fees and Advertising Contributions;

C. Pay us a fee to compensate us for your continued use of the Marks during the period of termination equal to the number of days between the date of termination of this Agreement and the date of reinstatement of this Agreement multiplied by the average daily Royalty Fee due to us during the calendar month preceding the date of termination,

D. Pay us a reinstatement fee of 10% of the amount of the then-current initial franchise fee; and

E. Sign and return to us our standard form of Reinstatement Agreement, which will include your commitment to a refurbishment plan that you and we must agree on.

18.3 Liquidated Damages.

A. Amount. You agree that any termination of this Agreement before the expiration of the Term will deprive us of the benefit of the bargain we are entitled to receive under this Agreement. As a result, if this Agreement is terminated after the Opening Date, you must pay us, as liquidated damages for the loss of the benefit of the bargain we are entitled to receive, and not as a penalty, a lump-sum payment equal to the average monthly Royalty Fee you owed us during the 36 months before the termination date times the lesser of the remainder of the Term or 36

months. If less than 36 months have lapsed between the Opening Date and the termination date, the liquidated damages will be the average monthly Royalty during the time between the Opening Date and the termination date, multiplied by 36. If the termination occurs before the Opening Date, you will forfeit the Initial Franchise Fee paid and will not owe us any liquidated damages.

B. Payment of Liquidated Damages. You will pay all amounts stated in this Section 18.3 within 30 days after the termination of this Agreement. You agree, and you direct any party construing this Agreement to conclusively presume, that the damages stated in this Section 18.3: (i) are true liquidated damages; (ii) are intended to compensate us for the harm we will suffer; (iii) are not a penalty; (iv) are a reasonable estimate of our probable loss resulting from your defaults, viewed as of the termination date; and (v) will be in addition to all other rights we have to obtain legal or equitable relief. We have the right to set off any credits, balances or amounts we owe to you against the amounts you owe under this Section 18.3.

18.4 Additional Obligations. The following obligations are in addition to the General Obligations and the liquidated damages stated above.

A. Right to Operate. If we terminate this Agreement under Section 17 (Default and Termination), we will have the right to immediately enter and take possession of your Franchised Business to maintain continuous operation of the Franchised Business, provide for orderly change of management and disposition of personal property, and otherwise protect our interests. If we exercise this right, you will vacate the Franchised Business promptly and completely, rendering all necessary assistance to us to enable us to take prompt possession, and you will have no right to any revenue that we earn while operating the Franchised Business. If you dispute the validity of our termination of this Agreement, we will nevertheless have the option, which you irrevocably grant, to operate the Franchised Business pending the final, unappealed determination of the dispute under this Agreement. If an arbitrator or court of competent jurisdiction makes a final, unappealed determination that the termination was not valid, we will make a full and complete accounting for the period during which we operated the Franchised Business.

B. Right to Acquire Accepted Location. If we terminate this Agreement under Section 17 (Default and Termination), you will, at our option, assign to us, or another franchisee we designate, your interest in any Lease for the Accepted Location, and will vacate the Franchised Business promptly and completely, rendering all necessary assistance to us or the other franchisee to enable it to take prompt possession. If you or one of your affiliates owns the Accepted Location, we may elect to purchase the Accepted Location or, at our option, lease the Accepted Location from you or that affiliate for an initial five-year term with one renewal term of five years (at our option) on commercially reasonable terms. If you and we cannot agree on a purchase price for the Accepted Location in a reasonable time, the purchase price will be determined by three independent appraisers using the Appraisal Process. If we elect to exercise this option to purchase, we may set off all amounts you owe us or our affiliates under this Agreement against any payments for the purchase. You (and your Owners) agree to cause your affiliate to comply with these requirements.

C. Right to Acquire Property. If we exercise our option to acquire rights to your Accepted Location, within 15 days after our notice to you of this election, you will arrange with us for an inventory to be made by us, at our cost, of all Goods related to the Franchised Business, including all items bearing the Marks. We will have the option, to be exercised within 30 days after our completion of the final inventory, or our receipt thereof, to purchase from you any or all of these items at the actual fair market value (exclusive of goodwill) (the "**Purchase Value**"). If we elect not to purchase your Goods related to the Franchised Business, we can retract our exercise

of our option to acquire rights to your Accepted Location under Section 18.4.B. (Right to Acquire Accepted Location). If the parties cannot agree on a Purchase Value within a reasonable time, the Purchase Value will be determined by three independent appraisers using the Appraisal Process. If we elect to exercise this option to purchase, we may set off all amounts you owe us or our affiliates under this Agreement against any payments for the purchase. At the closing, you will deliver to us, in a form satisfactory to us, good and merchantable title to the assets purchased, free and clear of any encumbrances, together with all licenses or permits that may be assigned or transferred. You will be responsible for all sales and other transfer taxes.

## 19. DISPUTE RESOLUTION

### 19.1 Resolution of Disputes.

A. Arbitration. Except as stated in Section 19.1.D. (Excepted Disputes) of this Agreement, all disputes between you, your affiliates, Owners, guarantors, and/or your or your affiliates' officers, directors, and employees, on the one hand, and us, our affiliates, and/or our or our affiliates' officers, directors and employees, on the other hand, relating to this Agreement, our relationship with you, or your Franchised Business, will be resolved by binding arbitration. The arbitration proceeding shall be conducted by one arbitrator and, except as this Section 19.1 otherwise provides, according to the then-current Commercial Arbitration Rules of the American Arbitration Association (the "AAA"). All arbitration proceedings will be held at AAA's offices or other suitable offices that we select in the metropolitan area in which our principal place of business is then located. The arbitrator shall have no authority to select a different hearing locale. All matters relating to arbitration will be governed by the Federal Arbitration Act (9 U.S.C. §§ 1 et seq.).

B. Individual Actions. We and you agree that arbitration will be conducted on an individual, not a class-wide, basis and that an arbitration proceeding between us and you may not be consolidated with any other arbitration proceeding between us and any other person. Notwithstanding the foregoing or anything to the contrary in this Section 19.1, if any court or arbitrator determines that this prohibition on class-wide arbitration is unenforceable with respect to a dispute that otherwise would be subject to arbitration under this Section 19.1, then the parties agree that this arbitration clause shall not apply to that dispute and that such dispute will be resolved in a judicial proceeding in accordance with Section 19.1.D. (Excepted Disputes).

C. Relief. The arbitrator has the right to award or include in his or her award any relief which he or she deems proper, including money damages (with interest on unpaid amounts from the date due), specific performance, injunctive relief, and attorneys' fees and costs, provided that the arbitrator may not declare any Mark generic or otherwise invalid or, except as expressly provided in Section 19.1.F. (Waiver of Punitive Damages), award any special, consequential, exemplary, or punitive damages against either party (we and you hereby waiving to the fullest extent permitted by law, except as expressly provided in Section 19.1.F. below, any right to or claim for any special, consequential, exemplary, or punitive damages against the other).

D. Excepted Disputes. The following disputes will not be resolved through arbitration unless we consent to arbitration: (i) disputes that arise under or are related to the Lanham Act, as now or later amended; (ii) disputes that otherwise relate to the ownership or validity of any of the Intellectual Property; (iii) disputes that involve enforcement of our intellectual property rights or protection of our Confidential Information or Trade Secrets; or (iv) disputes related to the payment of sums you owe us or our affiliates. Any litigation under this subsection will be filed exclusively

in the United States District Court for the district in which we have our principal place of business at the time of filing, and you irrevocably consent to this court's jurisdiction over you.

E. Binding Decision. The decision and award of the arbitrator will be final, conclusive, and binding on all parties regarding any claims, counterclaims, issues, or accountings presented or pled to the arbitrator, and judgment on the award, including any partial, temporary or interim award, may be entered in any court of competent jurisdiction. The parties agree that the arbitrator may award interest from the date of any damages incurred for breach or other violation of this Agreement, and from the date of the award, until paid in full, at a rate to be fixed by the arbitrator, but in no event less than 2.5% per annum above the Citibank Preference Rate quoted for the corresponding periods, as reported in The Wall Street Journal, or the maximum rate permitted by applicable law, whichever is less.

F. Waiver of Punitive Damages. EXCEPT FOR YOUR OBLIGATION TO INDEMNIFY US FOR THIRD PARTY CLAIMS UNDER SECTION 13.1 (INDEMNIFICATION), CLAIMS FOR YOUR INFRINGEMENT OF OUR INTELLECTUAL PROPERTY, AND CLAIMS FOR YOUR BREACH OF YOUR OBLIGATIONS UNDER SECTION 15.2 (PROTECTION OF CONFIDENTIAL INFORMATION AND TRADE SECRETS) OF THIS AGREEMENT, NEITHER PARTY WILL BE ENTITLED TO RECOVER SPECIAL, CONSEQUENTIAL, EXEMPLARY, OR PUNITIVE DAMAGES UNDER THIS AGREEMENT.

G. Injunctive Relief. Notwithstanding our agreement to arbitrate, either party will have the right to seek temporary restraining orders and temporary or preliminary injunctive relief from a court of competent jurisdiction with respect to any dispute subject to arbitration; provided, however, that such party must contemporaneously submit the dispute for arbitration on the merits as provided in this Section 19.1. In addition to any other relief available at law or equity, we will have the right to obtain restraining orders or temporary or permanent injunctions to: (i) enforce, among other matters, the provisions of this Agreement related to the System; (ii) enforce your obligations on termination or expiration of this Agreement; and (iii) prohibit any act or omission by you or your employees that is a violation of applicable Law or that threatens the Intellectual Property.

19.2 Cumulative Rights and Remedies. Except as otherwise stated in this Agreement, no right or remedy that the parties have under this Agreement is exclusive of any other right or remedy under this Agreement or under applicable law. Each and every such remedy will be in addition to, and not in limitation of or substitution for, every other remedy available at law or in equity or by statute or otherwise.

19.3 Attorneys' Fees. You agree to reimburse us for all expenses we reasonably incur (including attorneys' fees): (i) to enforce the terms of this Agreement or any obligation owed to us by you and/or the Owners (whether or not we initiate a legal proceeding, unless we initiate and fail to substantially prevail in such court or formal legal proceeding); and (ii) in the defense of any claim you and/or the Owners assert against us on which we substantially prevail in court or other formal legal proceedings. We agree to reimburse you for all expenses you reasonably incur (including attorneys' fees): (a) to enforce the terms of this Agreement or any obligation owed to you by us (whether or not you initiate a legal proceeding, unless you initiate and fail to substantially prevail in such court or formal legal proceeding); and (b) in the defense of any claim we assert against you on which you substantially prevail in court or other formal legal proceedings.

19.4 Limitation of Claims. EXCEPT FOR CLAIMS ARISING FROM (i) YOUR NON-PAYMENT OR UNDERPAYMENT OF AMOUNTS YOU OWE US, (ii) YOUR COMPLIANCE WITH ANY

POST-TERMINATION OBLIGATIONS, OR (iii) ANY VIOLATION OF OUR INTELLECTUAL PROPERTY RIGHTS, ANY AND ALL CLAIMS ARISING OUT OF OR RELATING TO THIS AGREEMENT OR OUR RELATIONSHIP WITH YOU WILL BE BARRED UNLESS A JUDICIAL OR ARBITRATION PROCEEDING IS COMMENCED WITHIN 24 MONTHS FROM THE DATE ON WHICH THE ACT, CONDUCT, EVENT, OR OCCURRENCE GIVING RISE TO THE CLAIMS OCCURS, REGARDLESS OF WHEN THE CLAIMS WERE, OR SHOULD HAVE BEEN, DISCOVERED.

19.5 Waiver of Jury Trial. WE AND YOU IRREVOCABLY WAIVE TRIAL BY JURY IN ANY ACTION, PROCEEDING, OR COUNTERCLAIM, WHETHER AT LAW OR IN EQUITY, BROUGHT BY EITHER OF US.

## 20. MISCELLANEOUS

20.1 Relationship of Parties. You are an independent contractor. Nothing in this Agreement is intended to or does in fact or law make either party a general or special agent, joint venturer, partner, or employee of the other for any purpose. This Agreement does not create a fiduciary relationship between us. Further, we and you are not and do not intend to be partners, associates, or joint employers in any way, and we shall not be construed to be jointly liable for any of your acts or omissions under any circumstances. Although we retain the right to establish and modify the Standards that you must follow, you retain the responsibility for the day-to-day management and operation of the Franchised Business and implementing and maintaining Standards at the Franchised Business. To the extent that the Manuals or Standards contains employee-related policies or procedures that might apply to your employees, those policies and procedures are provided for informational purposes only and do not represent mandatory policies and procedures to be implemented by you. You must determine to what extent, if any, these policies and procedures may be applicable to your operations at the Franchised Business. You and we recognize that we neither dictate nor control labor or employment matters for franchisees and that you, and not us, are solely responsible for dictating the terms and conditions of employment for your employees. We have no relationship with your employees and you have no relationship with our employees.

### 20.2 No Right to Bind; No Liability.

A. No Right to Bind. You will not use the Marks in signing any contract, instrument, application for any license or permit, or legal obligation, or in a manner that may result in liability to us for your obligations, except as this Agreement expressly authorizes. Except as this Agreement expressly authorizes, neither of us will make any express or implied agreements, warranties, guarantees, or representations, or incur any debt, in the name of or on behalf of the other or represent that the relationship between you and us is other than that of franchisor and franchisee.

B. No Liability. Except when another entity guarantees our obligations under this Agreement (the “**Guaranteeing Entity**”) as may be provided for in our FDD, you agree that no past, present or future director, officer, employee, incorporator, member, manager, partner, stockholder, subsidiary, affiliate, controlling party, entity under common control, ownership or management, Supplier, agent, attorney, or representative of ours (other than the Guaranteeing Entity, but only to the extent of the terms of the guaranty) will have any liability for (i) any of our obligations or liabilities relating to or arising from this Agreement, (ii) any claim against us based on, in respect of, or by reason of, the relationship between you and us, or (iii) any claim against us based on any alleged unlawful act or omission of us.

20.3 General Release. In consideration of our agreement to enter into this Agreement, you, for yourself (and if you are an Entity, for purposes of this Section “you” and “your” includes you as an Entity and your directors, officers, owners, shareholders, partners, members, managers, representatives, employees, agents, and attorneys) and for each and all of your affiliates and such affiliates’ directors, officers, owners, shareholders, partners, members, managers, representatives, employees, agents and attorneys, together with the predecessors, successors, heirs and assigns of each of the foregoing (individually, collectively and in any combination, the “Releasing Parties”), release and forever discharge the Released Parties of and from all manner of actions, causes of action, suits, debts, dues, sums of money, accounts, reckonings, bonds, bills, specialties, covenants, contracts, agreements, controversies, promises, variances, trespasses, damages, judgments, executions, claims and demands whatsoever, in law, admiralty or equity, whether known or unknown, that the Releasing Parties, ever had, now have, or that the Releasing Parties hereafter can or may have for, on or by reason of any matter, cause or thing whatsoever, arising prior to and including the Effective Date. This release shall not apply to any claims arising from representations made in the FDD (including its exhibits) that we delivered to you or your representative.

20.4 Force Majeure. A “**Force Majeure**” is any occurrence, event, or condition beyond your or our reasonable control that is not reasonably foreseeable and cannot be reasonably avoided, which may include an (a) act of God, terrorism, war, insurrection, civil commotion, chemical or nuclear contamination, strike, epidemic, pandemic, or embargo; (b) lack of water, materials, or power specified or reasonably necessary for the operation of your Franchised Business or our business; (c) fire, hurricane, tornado, earthquake, flood, or other unavoidable property casualty; or (d) act or order by a governmental authority (not limited to or caused by the party asserting the Force Majeure) that prevent or materially hinder or delay either party from providing services under this Agreement. If a Force Majeure occurs, provided that the party promptly provides the other party with written notice of the Force Majeure, the party so affected will be relieved of its respective obligations to the extent that that party is necessarily prevented, or materially hindered or delayed, in performance during the period of the Force Majeure, except a Force Majeure shall not relieve a party of any (i) payment obligations for monies owed, (ii) obligations that existed prior to the start of the period of the Force Majeure, (iii) obligations that start after the period of Force Majeure, or (iv) other obligations that are not necessarily prevented, or materially hindered or delayed during the period of the Force Majeure.

20.5 Notices. All notices required or permitted under this Agreement must be in writing, and must be personally delivered or mailed by registered or certified mail, return receipt requested, or by a nationally recognized overnight delivery service, to us at the address specified in Schedule A and to you at the address specified in Schedule A. The addresses for notices may be changed at any time by either party by written notice given to the other party as provided in this Section. Notices will be deemed received the same day when delivered personally, upon attempted delivery when sent by registered or certified mail or overnight delivery service, or the next business day when sent by facsimile.

20.6 Compliance with Anti-Terrorism Laws. You and your Owners agree to comply, and to assist us to the fullest extent possible in our efforts to comply, with Anti-Terrorism Laws (defined below). In connection with that compliance, you and your owners certify, represent, and warrant that none of your property or interests is subject to being blocked under, and that you and your owners otherwise are not in violation of, any of the Anti-Terrorism Laws. “**Anti-Terrorism Laws**” mean Executive Order 13224 issued by the President of the United States, the USA PATRIOT Act, and all other present and future federal, state, and local laws, ordinances, regulations, policies, lists, and other requirements of any governmental authority addressing or in any way

relating to terrorist acts and acts of war. Any violation of the Anti-Terrorism Laws by you or your owners, or any blocking of your or your owners' assets under the Anti-Terrorism Laws, shall constitute good cause for immediate termination of this Agreement, as provided in Section 17.2.H. (violation of law relating to terrorist activities).

20.7 Personal Guaranty. All Owners must sign the Guaranty of Payment and Performance in Schedule C.

## 21. ACKNOWLEDGEMENTS

21.1 Your Acknowledgements. You agree that: (i) you have conducted an independent investigation of the business contemplated by this Agreement, recognize that it involves business risks, and recognize that making a success of a venture is largely dependent on your own business abilities; (ii) no assurance or warranty, express or implied, has been given to you by us or any of our affiliates as to the potential success of any business contemplated by this Agreement or the profits that may be achieved; (iii) there are no promises, commitments, "side deals," options, rights of first refusal, or other rights or obligations in connection with this Agreement except as expressly provided for in this Agreement; and (iv) you are not relying on any representations or warranties, express or implied, other than those expressly set forth in this Agreement and the FDD.

21.2 Timely Receipt and Review of Agreement and Disclosure Document. You received a FDD required by applicable state and/or federal laws, including a form of this Agreement, at least 14 calendar days (or such longer time period as required by applicable state law) before you executed this Agreement or any related agreements or paid any consideration to us. If we made any unilateral and material changes to the terms and conditions of the form of this Agreement that was included in the FDD (other than changes that arose out of negotiations that you initiated), you received a revised copy of this Agreement that included such changes and were informed of any material differences between this Agreement and the form included in the FDD at least seven calendar days before you executed this Agreement or any related agreements or paid any consideration to us. You have reviewed this Agreement and the FDD and have been given ample opportunity to consult with, and ask questions of, our representatives regarding the documents. You have no knowledge of any representations made about the franchise opportunity by us, our affiliates, or any of our or their officers, directors, owners, or agents that are contrary to the statements made in our FDD or to the terms and conditions of this Agreement. You have read this Agreement and our FDD and understand and accept that the terms and covenants in this Agreement are reasonable and necessary for us to maintain our high standards of quality and service, as well as the uniformity of those standards at each Business, and to protect and preserve the goodwill of the Marks.

21.3 Financial Performance Representations. Except as may be stated in the FDD, neither we, nor any of our affiliates, nor any of our or our affiliates' officers, agents, employees, or representatives have made any representation to you, express or implied, as to the historical revenues, earnings, or profitability of any Business or the anticipated revenues, earnings, or profitability of the business subject to the license or any other business operated by us, our licensees, our franchisees, or our affiliates. In entering into this Agreement, you are not relying upon any information furnished by us or our representatives other than the information contained in this Agreement and the FDD. Any information you have acquired from other franchisees regarding their sales, profits or cash flows is not information obtained from us, and we make no representation about that information's accuracy.

## 22. CONSTRUCTION

22.1 Waiver or Delay. Except as otherwise stated in this Agreement, no waiver of, or delay in requiring strict compliance with any obligation of this Agreement, or the exercise of any right or remedy provided in this Agreement, and no custom or practice at variance with the requirements of this Agreement, will constitute a waiver or modification of any obligation, right, or remedy, or preclude the exercise of any right or remedy or the right to require strict compliance with any obligation stated in this Agreement, or will preclude, affect, or impair enforcement of any right or remedy provided in this Agreement with respect to any later default.

22.2 Entire Agreement; Amendments. The term "Agreement" as used in this Agreement includes all schedules attached to this Agreement and amendments to this Agreement, if any. This Agreement states the entire agreement between you and us related to the subject matter of this Agreement and fully replaces all prior agreements, representations, or understandings between you and us, whether oral or written, related to the subject matter of this Agreement. Except as otherwise expressly stated in this Agreement, this Agreement may be amended only by a written document signed by you and us. Notwithstanding the foregoing, nothing in this Agreement will disclaim or require you to waive reliance on any representation we make in our most recent FDD (including exhibits and amendments) delivered to you or your representative.

22.3 Operating, Developing, and Changing the System. We have the right to operate, develop, and change the System in any manner that is not specifically prohibited by this Agreement. Whenever we have reserved in this Agreement a right to take or to withhold an action, or to grant or decline to grant you a right to take or omit an action, we may, except as otherwise specifically provided in this Agreement, make our decision or exercise our rights based on information readily available to us and our judgment of what is in our and/or the System's best interests at the time our decision is made, without regard to either whether we could have made other reasonable or even arguably preferable alternative decisions or whether our decision promotes our financial or other individual interest.

22.4 Survival of Obligations. Each provision of this Agreement that expressly or by reasonable implication is to be performed, in whole or in part, after the expiration, termination, or Transfer of this Agreement will survive such expiration, termination, or Transfer, including, but not limited to, Sections 9 (Intellectual Property), 13.1 (Indemnification), 15 (Confidential Information; Restrictive Covenants), 18 (Obligations on Expiration or Termination), and 19 (Dispute Resolution).

22.5 Applicable Law. Except as provided in Section 15.6 (Modification), this Agreement, including, but not limited to, the making of it, will be governed by, construed and enforced in accordance with the laws of the State of Georgia, including, but not limited to, laws applicable to agreements made and to be entirely performed in Georgia, without giving effect to Georgia's choice of law or conflict of laws principles.

22.6 Severability. If, for any reason, any portion, section, part, term, provision and/or covenant of this Agreement is determined to be invalid and contrary to, or in conflict with, any existing or future law or regulation by a court or agency having valid jurisdiction, such will not impair the operation of, or have any other effect upon, such other portions, sections, parts, terms, provisions and/or covenants of this Agreement as may remain otherwise intelligible; and the latter will continue to be given full force and effect and bind the parties to this Agreement; and the invalid portions, sections, parts, terms, provisions and/or covenants will be deemed not to be a part of this Agreement.



22.7 Time. Time is of the essence to this Agreement.

22.8 Construction. The headings in this Agreement are for convenience of reference and are not a part of this Agreement and will not affect the meaning or construction of any of its provisions. Unless otherwise specified, all references to a number of days shall mean calendar days and not business days. The words “**include**,” “**including**,” and words of similar import shall be interpreted to mean “including, but not limited to” and the terms following such words shall be interpreted as examples of, and not an exhaustive list of, the appropriate subject matter.

22.9 Execution in Counterparts. This Agreement may be executed in two or more counterparts, each of which will be deemed an original, and all of which will constitute one and the same instrument.

22.10 Successors and Assigns. Except as expressly otherwise provided herein, this Agreement is binding upon and will inure to the benefit of the parties and their respective heirs, executors, legal representatives, successors, and permitted assigns.

22.11 Additional Terms; Inconsistent Terms. The parties may provide additional terms by including the terms on Schedule A. To the extent that any terms or provisions on Schedule A are in direct conflict with the terms or provisions of this Agreement, the terms or provisions on Schedule A shall control.

[Signature Page Follows]

**IN WITNESS WHEREOF**, each of the undersigned has executed this Agreement under seal as of the Effective Date.

**FRANCHISOR:**

**Auntie Anne's Franchisor SPV LLC**  
a Delaware limited liability company

By: \_\_\_\_\_  
Name: **Tim Goodman**  
Title: Senior Vice President  
Franchise Administration

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

**FRANCHISEE:**

«Z1\_First\_Name»  
a «Z1\_State\_of\_Formation»  
«Z1\_Entity\_Type»

By: \_\_\_\_\_  
Name:  
Title:

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

## SCHEDULE A

### FRANCHISE SPECIFIC TERMS

1. **“Effective Date”** means: \_\_\_\_\_
2. **“Franchisor”** means: Auntie Anne’s Franchisor SPV LLC, a Delaware limited liability company
3. **“Franchisee”** means: «Z1\_First\_Name», a «Z1\_State\_of\_Formation» «Z1\_Entity\_Type»«Z2\_First\_Name»«Z2\_Last\_Name»«Z3\_First\_Name»«Z3\_Last\_Name»«Z4\_First\_Name»«Z4\_Last\_Name»«Z5\_First\_Name»«Z5\_Last\_Name»
4. **Recital A: “Approved Products”** means hand-rolled soft pretzels prepared in accordance with a unique recipe, specialty products featuring soft pretzel dough, lemonade and other frozen and non-frozen drink products, and other related food products, beverage products, and related services we approve.
5. **Recital A: The “Primary Mark”** is: AUNTIE ANNE’S®
6. **Section 1.1 (Accepted Location):** The Accepted Location means: «location\_name», «store\_street\_address», «store\_city», «store\_state» «store\_zip». [OR] a location to be determined and added to this Agreement located in the following Site Selection Area:  
\_\_\_\_\_.
7. **Section 1.4.A. (Owners of Equity):** Below is a complete list of your Owners and breakdown of your ownership structure:
8. **Section 3.1 (Initial Franchise Fee):** The Initial Franchise Fee shall be equal to \$ \_\_\_\_\_.
9. **Section 3.2.A. (Royalty Fee):**  
  
The Royalty Fee shall be 7% of the Net Sales of the Franchised Business, payable each week on the Net Sales of the Franchised Business for the preceding week (or on any other basis stated in the Manuals or in our written notice to you). We may increase the Royalty Fee at any time during the Term in our sole and exclusive business judgment by 1% of Net Sales up to a maximum of 8% of Net Sales.
10. **Section 3.2.B. (Advertising Contribution):**  
  
The Advertising Contribution shall be in an amount we determine, in our sole discretion, which when combined with the Local Marketing Obligation (as specified in Section 10.1.E. (Local Marketing Obligation)) shall not exceed 5% of the Net Sales of the Franchised Business, payable each week on the Net Sales of the Franchised Business for the preceding week (or on any other basis stated in the Manuals or in our written notice to you).
11. **Section 4.1 (Reserved Rights):** The following provisions are added to Section 4.1 of the Agreement.

A. No Protected Rights. You do not have any protected or exclusive rights under this Agreement.

B. Our Reserved Rights. We reserve all rights that we do not expressly grant you in this Agreement. We and our affiliates have the right to conduct, or authorize third parties to conduct, any business activities, under any name, in any geographic area, and at any location, regardless of the proximity to or effect on your Franchised Business. For example, without limitation, we have the following rights, without providing any rights or compensation to you:

- (i) We and/or our affiliates may establish or license franchises and/or company-owned businesses offering products or services that are similar or identical to the Approved Products using the System or elements of the System under the Marks or any other marks anywhere, including near your Accepted Location.
- (ii) We and/or our affiliates may produce and/or sell Approved Products or any other products or services, and authorize others to produce and/or sell Approved Products or any other products or services, using the Marks, the System, and any other marks and/or systems we desire through any alternative channel of distribution located anywhere, including to and through (a) supermarkets, convenience stores, club stores, and other retail facilities not dedicated to the sale of the Approved Products, (b) mail order and e-commerce channels, and (c) kitchens devoted to the preparation of Products or Approved Products (often referred to as ghost, dark or cloud kitchens), which may use the Marks and may deliver to customers located anywhere.
- (iii) We and/or our affiliates may advertise, or authorize others to advertise, using the Marks anywhere.
- (iv) We and/or our affiliates may acquire, be acquired by, or merge with another entity with existing businesses or franchises that are similar to or competitive with the Businesses anywhere and (i) convert the other businesses to be Businesses operating under the Marks and the System, (ii) permit the other businesses to continue to operate under another name anywhere, and/or (iii) permit the businesses to operate under another name and convert your Franchised Business and existing Businesses to such other name.

**12. Section 6.5 (Opening and Development Deadlines):**

| EVENT  | COMPLETION DEADLINE                      |
|--|--|
| Site Approval Deadline (Section 6.5.A.)      | Within 150 days after the Effective Date |
| Construction Start Deadline (Section 6.5.B.) | Within 270 days after the Effective Date |
| Opening Deadline (Section 6.5.C.)            | Within 360 days after the Effective Date |

**13. Section 10.1.C. (Grand Opening Advertising):**

Your Grand Opening Obligation is that you must spend at least \$1,000 in grand opening advertising promoting the opening of your Franchised Business within the period beginning 90 days before the Opening Date and ending 90 days after the Opening Date. We will have the right to determine the appropriate minimum amount (which may exceed \$1,000 but shall not exceed \$5,000) for your Grand Opening Obligation based upon the type of unit in question, location, size, territory demographics, and related factors.

**14. Section 10.1.E. (Local Marketing Obligation):**

Your Local Marketing Obligation shall be equal to 1% of the Net Sales of your Franchised Business per calendar quarter.

**15. Section 11.1.A (Required Trainees):**

The Required Trainees shall consist of one Manager (who may be you, if you are an individual, or your Primary Contact), one other employee who will be involved in the operation of the Franchised Business, and any other individuals that we designate.

**16. Section 11.1.B (Training Fees):**

Except as otherwise provided in Section 11.1.B., we will provide the Management Training Program at no additional charge for any Required Trainees.

**17. Section 11.1.D (Completion of Training):**

At least one of your Required Trainees must successfully complete our Management Training Program at least two weeks before you are scheduled to open your Franchised Business.

**18. Section 11.2 (On-Site Training):**

If this is your first or second Franchised Business (including Franchised Businesses owned by your affiliates), we will send one or more of our representatives to the Franchised Business, at our expense, for a minimum of two days of On-Site Training concurrent with beginning operations.

**19. Section 12.7 (Your Participation; Manager):**

Your Franchised Business must employ at least one Manager who has successfully completed the Management Training Program and is dedicated to the Franchised Business.

**20. Section 13.2 (Required Insurance):**

Currently, you must obtain and maintain the following coverage:

A. Comprehensive General Liability Insurance, including Products & Completed Operations coverage with limits not less than \$1,000,000 per occurrence and \$2,000,000 in the aggregate with a maximum \$5,000 deductible per occurrence;

- B. Dram Shop Liability (if you serve alcohol) with limits not less than \$1,000,000 per occurrence and \$2,000,000 in the aggregate;
- C. Statutory Workers' Compensation insurance, including employer's liability insurance, with limits not less than \$500,000;
- D. Automobile Liability insurance with a combined single limit of \$1,000,000 for any owned, hired, or non-owned automobile used in connection with the Franchised Business;
- E. "Follow Form" Umbrella/Excess Liability Policy with limits not less than \$2,000,000 per occurrence and in the aggregate that is in excess of items 1, 2, 3 (employer's liability insurance only), and 4 above;
- F. Business Property Insurance that extends coverage on a replacement cost basis for business personal property including electronic equipment, tenant improvements and betterments, and business income and extra expense, with covered causes of loss as "Special" or "All Risk" with coinsurance conditions not less than 80%, and further, if you are in a location that resides in FEMA Flood Zones beginning with the letters "A" or "V", coverage for Flood;
- G. Employment Practices Liability insurance, including third-party coverage, with limits not less than \$1,000,000 per employee and \$1,000,000 per accident;
- H. Cyber Liability insurance with limits not less than \$1,000,000; and
- I. Other insurance required by an applicable state or local authority.

If you obtain a claims made policy, you must provide a tail coverage policy for no less than one year after the expiration or termination of this Agreement or the closure of the Franchised Business, whichever occurs first. The tail coverage limits must be equal to, or greater than, the limits provided in the prior policy.

**21. Section 15.4 (Restrictive Covenants):**

A "Competing Product" includes any soft pretzels or soft-pretzel-based products.

**22. Section 20.5 (Notices):**

The notice address for the Franchisor shall be:

Auntie Anne's Franchisor SPV LLC, 5620 Glenridge Drive, NE, Atlanta, Georgia 30342, Attention: Legal Department

The notice address for the Franchisee shall be: «C1 contact street», «C1 contact city», «C1 contact state» «C1 contact zip».

**23. Section 22.11 (Additional Terms; Inconsistent Terms):** The following additional terms amend the applicable Sections of the Agreement:

- A. **Section 12 (Your Obligations)** is amended by adding the following as Section 12.13 to the Agreement:

Advisory Councils. We may form Regional Advisory Franchisee Councils (each, a “**Council**”), in our sole discretion, at any time that more than one Business is operated in any given region, the boundaries of which we will determine. If we create a Council in your region, you must participate actively in the Council applicable to your Franchised Business and attend and participate in all Council programs and meetings for the Council for your Franchised Business. You shall pay all assessments levied by the Council for your Franchised Business, and we have the right to enforce this obligation. Amounts and expenditures may vary from time to time and such variations may be due to variations in Council participation and costs as determined by a particular Council and any other factors approved by us. In addition, from time to time, as part of your participation in the Council, we may require that you travel to our corporate headquarters to attend a meeting with one or more corporate employees or executives.

**[SCHEDULE A SIGNATURE PAGE FOLLOWS]**

Signature Page for Schedule A (Franchise Specific Terms)

**FRANCHISOR:**

**Auntie Anne's Franchisor SPV LLC**  
a Delaware limited liability company

By: \_\_\_\_\_  
Name: **Tim Goodman**  
Title: Senior Vice President  
Franchise Administration

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

**FRANCHISEE:**

«Z1\_First\_Name»  
a \_\_\_\_\_ «Z1\_State\_of\_Formation»  
«Z1\_Entity\_Type»

By: \_\_\_\_\_  
Name:  
Title:

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



## SCHEDULE B

### PERSONAL COVENANTS

*All Persons Having an Equity Interest in Franchisee;  
and All of Franchisee's Directors and Officers Must Sign*

Each undersigned ("you") agrees that:

1. All capitalized terms used but not defined in these Personal Covenants will have the meaning stated in the Franchise Agreement between Auntie Anne's Franchisor SPV LLC, a Delaware limited liability company ("we," "us," or "our"), and «Z1\_First\_Name», a «Z1\_State\_of\_Formation» «Z1\_Entity\_Type»«Z2\_First\_Name»«Z2\_Last\_Name»«Z3\_First\_Name»«Z3\_Last\_Name»«Z4\_First\_Name»«Z4\_Last\_Name»«Z5\_First\_Name»«Z5\_Last\_Name» ("Franchisee") (the "Franchise Agreement").

2. You are the owner of an equity interest in Franchisee, or you are a director or officer, and as such you expect to or will gain a direct personal benefit from the Franchise Agreement. You acknowledge that you have read and understand your obligations under the Franchise Agreement.

3. As an inducement to us to enter into the Franchise Agreement, and in consideration of the direct and personal benefits you will derive from the Franchise Agreement, you agree that: (i) you have read and understand all the provisions of Section 15 (Confidential Information; Restrictive Covenants) of the Franchise Agreement; (ii) you will be personally bound by all of the obligations and covenants of Franchisee in Section 15 of the Franchise Agreement as if the obligations and covenants were made and given personally by you directly to us; and (iii) the obligations and covenants are fair and reasonable and will not deprive you of your livelihood.

4. If any term in these Personal Covenants or in Section 15 of the Franchise Agreement must be interpreted by a court or an arbitrator of competent jurisdiction, you agree that: (i) these Personal Covenants are made freely and voluntarily by you and us, as 2 experienced businesspeople, in an arms-length commercial transaction; (ii) these Personal Covenants or Section 15 of the Franchise Agreement should not be construed in the same manner or under the same body of law as analogous terms in a contract of employment; (iii) if a court or arbitrator finds that any term in these Personal Covenants or Section 15 of the Franchise Agreement is invalid or unenforceable for any reason, that term will automatically be modified to the minimum extent necessary to make it valid and enforceable, and the modification will be deemed to have been a part of these Personal Covenants or Section 15 of the Franchise Agreement as of the date you sign these Personal Covenants or the Effective Date of the Franchise Agreement, whichever is later; (iv) the court or arbitrator should strictly construe these terms in favor of enforcement; and (v) if any term could be construed two ways, one of which would render the term valid and the other of which would render the term invalid, the court or arbitrator will construe the term in the manner that renders it valid.

5. These Personal Covenants will be governed by the choice of law provisions set forth in Sections 15.6 (Modifications) and 22.5 (Applicable Law) of the Franchise Agreement.

The undersigned sign and deliver these Personal Covenants as of the date stated below their signatures:

**«C1\_contact\_first\_name»**  
**«C1\_contact\_last\_name»**  
a «C1\_contact\_state» resident

X \_\_\_\_\_

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

**«G1\_first\_name» «G1\_last\_name»**  
a «G1\_state» resident

X \_\_\_\_\_

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

**«G2\_first\_name» «G2\_last\_name»**  
a «G2\_state» resident

X \_\_\_\_\_

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

**«G3\_first\_name» «G3\_last\_name»**  
a «G3\_state» resident

X \_\_\_\_\_

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

**«G4\_first\_name» «G4\_last\_name»**  
a «G4\_state» resident

X \_\_\_\_\_

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

## SCHEDULE C

### GUARANTY OF PAYMENT AND PERFORMANCE

THIS GUARANTY (the “**Guaranty**”) is made by the undersigned individuals (whether one or more, jointly and severally, the “**Guarantor**”), in favor of Auntie Anne’s Franchisor SPV LLC, a Delaware limited liability company (“**Franchisor**”).

A. Franchisor and «**Z1\_First\_Name**», a «**Z1\_State\_of\_Formation**» «**Z1\_Entity\_Type**»«**Z2\_First\_Name**»«**Z2\_Last\_Name**»«**Z3\_First\_Name**»«**Z3\_Last\_Name**»«**Z4\_First\_Name**»«**Z4\_Last\_Name**»«**Z5\_First\_Name**»«**Z5\_Last\_Name**» (“**Franchisee**”) are parties to a Franchise Agreement (the “**Franchise Agreement**”).

B. Guarantor is an owner of Franchisee, and anticipates benefit from the transactions evidenced by the Franchise Agreement and is therefore willing to sign this Guaranty. Guarantor acknowledges having read and understood the terms and conditions of the Franchise Agreement.

C. Franchisor would not have agreed to enter into the Franchise Agreement without this Guaranty.

Guarantor and Franchisor agree as follows:

1. Guaranty. Guarantor guarantees to Franchisor and its successors and assigns the following obligations (collectively, the “**Obligations**”): (i) the full and prompt payment and performance of all Franchisee’s and its owners’, officers’, directors’, agents’ and employees’ obligations to Franchisor under the Franchise Agreement, any amendment to the Franchise Agreement or any other agreement between Franchisee and Franchisor; and (ii) the full and prompt payment or reimbursement of all amounts, costs, expenses, claims, liabilities, or obligations Franchisor incurs under the Franchise Agreement. Guarantor agrees that if Franchisee does not make payments under the Franchise Agreement when due or perform any obligations required of it in accordance with the Franchise Agreement or satisfy any Obligations Franchisor incurs related to any of them, Guarantor will make the payments and reimbursements and cause the obligations to be performed within 5 days of Franchisor’s notice to Guarantor. If there is more than one Guarantor, all the terms in this Guaranty are joint and several.

2. Payment. If Franchisee defaults under the Franchise Agreement, Franchisor may proceed directly against any or each Guarantor without first proceeding against or notifying Franchisee and without proceeding against any other Guarantor.

3. Waivers by Guarantor. Guarantor waives (i) all rights to payments and claims for reimbursement or subrogation that each Guarantor may have against Franchisee arising as a result of the Guarantor’s execution of and performance under this Guaranty, for the express purpose that no Guarantor shall be deemed a “creditor” of Franchisee under any applicable bankruptcy law with respect to Franchisee’s obligations to Franchisor; (ii) all rights to require Franchisor to proceed against Franchisee for any Obligation, proceed against or exhaust any security from Franchisee, take any action to assist any Guarantor in seeking reimbursement or subrogation in connection with this Guaranty or pursue, enforce or exhaust any remedy, including any legal or equitable relief, against Franchisee; (iii) any benefit of, any right to participate in, any security now or hereafter held by Franchisor; and (iv) acceptance and notice of acceptance by Franchisor of the Guarantor’s Obligations under this Guaranty, all presentments, demands and notices of demand for payment of any indebtedness or non-performance of any Obligations

hereby guaranteed, protest, notices of dishonor, notices of default to any party with respect to the indebtedness or nonperformance of any Obligations guaranteed by Guarantors, and any other notices and legal or equitable defenses to which a Guarantor may be entitled. Franchisor shall have no present or future duty or obligation to the Guarantors under this Guaranty, and each Guarantor waives any right to claim or assert any such duty or obligation, to discover or disclose to any Guarantor any information, financial or otherwise, concerning Franchisee, any Guarantor, or any collateral securing any Obligations of Franchisee to Franchisor. Without affecting the Obligations of Guarantor under this Guaranty, Franchisor may, without notice to any Guarantor, extend, modify, supplement, waive strict compliance with, or release all or any provisions of the Franchise Agreement or any indebtedness or Obligation, or settle, adjust, release, or compromise (including if made in or out of court on receivership, liquidation, bankruptcy, reorganization, arrangement, or assignment for the benefit of creditors) any claims against Franchisee or any Guarantor, make advances for the purpose of performing any Obligations, assign the Franchise Agreement or the right to receive any sum payable under the Franchise Agreement, and the Guarantors each hereby jointly and severally waive notice of same. Guarantors expressly acknowledge that the Obligations survive the expiration or termination of the Franchise Agreement.

4. No Waiver By Franchisor. Franchisor's delay or failure to exercise of any right or remedy will not operate as a waiver thereof, and no single or partial exercise by Franchisor of any right or remedy will preclude any further exercise thereof or the exercise of any other right or remedy.

5. Consent to Jurisdiction. Guarantor: (i) submits to personal jurisdiction in Georgia for the enforcement of this Guaranty; and (ii) waives all personal rights under the laws of Georgia or of any state to object to jurisdiction within Georgia for litigation related to this Guaranty, regardless of any present or future domicile of Guarantor, Franchisee, or Franchisor.

6. Governing Law. This Guaranty is to be construed under and governed by the law of the State of Georgia without regard to Georgia, or any other, choice of law or conflicts of law principles. If any provision of this Guaranty would not be enforceable under the laws of Georgia, and if the business franchised under the Franchise Agreement is located outside of Georgia and the provision would be enforceable under the laws of the state in which the franchised business is located, then that provision, and only that provision, will be interpreted and construed under the laws of that state. Nothing in this Guaranty is intended to invoke the application of any franchise, business opportunity, antitrust, "implied covenant," unfair competition, fiduciary, or other doctrine of law of Georgia or any other state.

7. Dispute Resolution. Section 19 (Dispute Resolution) of the Franchise Agreement is hereby incorporated herein by reference and will be applicable to any all disputes between Franchisor and any of the Guarantors, as though Guarantor were the "Franchisee" referred to in the Franchise Agreement.

8. Notices. Any notice under this Agreement must be in writing and is deemed delivered: (i) 1 business day after being sent by commercial courier service for next business day delivery; or (ii) 5 days after being deposited in the United States mail for certified or registered delivery, return receipt requested, postage prepaid. Notice to Franchisor will be addressed to: Legal Department, Auntie Anne's Franchisor SPV LLC, 48-50 W. Chestnut, Suite 200, Lancaster, PA 17603, with a copy to Auntie Anne's Franchisor SPV LLC, 5620 Glenridge Drive, NE, Atlanta, Georgia 30342. Notice to Guarantor will be addressed to the address stated below his or her

signature at the end of this Guaranty. The addresses for notices may be changed at any time by either party by written notice given to the other party as provided in this Section.

9. Successors and Assigns. The provisions of this Guaranty will bind Guarantor and Guarantor’s respective heirs and personal representatives and will benefit Franchisor and its respective successors and assigns. Guarantor will not assign this Guaranty without Franchisor’s prior written consent. Guarantor’s death will not terminate this Guaranty and the same will be enforceable against Guarantor’s estate.

10. Severability. To the extent that any provision of this Guaranty would violate any applicable usury statute or any other applicable law, the Obligations will be reduced to the limit legally permitted, but the Obligation will be fulfilled to the limit of its legal validity. The provisions of this Section will control every other provision of this Guaranty.

11. No Release. The cessation of or release from liability of any Guarantor will not relieve any other Guarantor from liability under this Guaranty or the Franchise Agreement, except to the extent that the default has been remedied or monies owed have been paid.

12. Survival. Guarantor agrees that the Obligations survive the termination of the Franchise Agreement.

IN WITNESS WHEREOF, Guarantor has signed and delivered this Guaranty as of the date stated below Guarantor’s signature.

X \_\_\_\_\_  
«C1\_contact\_first\_name» «C1\_contact\_last\_name»  
a «C1\_contact\_state» resident

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

X \_\_\_\_\_  
«G1\_first\_name» «G1\_last\_name»  
a «G1\_state» resident

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

X \_\_\_\_\_  
«G2\_first\_name» «G2\_last\_name»  
a «G2\_state» resident

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

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

X \_\_\_\_\_  
«G3\_first\_name» «G3\_last\_name»  
a «G3\_state» resident

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

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

X \_\_\_\_\_  
«G4\_first\_name» «G4\_last\_name»  
a «G4\_state» resident

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

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**SCHEDULE D**  
**STATE LAW ADDENDUM**

(If Required)

## **CALIFORNIA ADDENDUM TO FRANCHISE AGREEMENT**

In recognition of the requirements of the California Franchise Investment Law §§ 31000 through 31516, and the California Franchise Relations Act, California Business and Professions Code §§ 20000 through 20043, the Franchise Agreement, for franchises offered and sold in the State of California or to California residents, is amended to include the following:

1. Section 16.3.I. (Control Transfer) of the Franchise Agreement is amended by adding the following punctuation and language at the end of such sections, before the period: “; provided, however, this release will not apply to claims as you may have under the California Franchise Investment Law and the California Franchise Relations Act.”
2. Section 22.2 (Entire Agreement; Amendments) of the Franchise Agreement is amended by adding the following: “Nothing in this Section will disclaim any of the information in the FDD (or its attachments/addenda) delivered to you immediately before you signed this Agreement.”
3. If any of the provisions of the Franchise Agreement concerning termination are inconsistent with either the California Franchise Relations Act or the Federal Bankruptcy Code (concerning termination of the Agreement on certain bankruptcy-related events), then the Federal Bankruptcy Code applies.
4. The Franchise Agreement is governed by Georgia law. This requirement may be unenforceable under California law.
5. The Franchise Agreement requires binding arbitration. The arbitration will occur at the offices of our principal place of business or another suitable location chosen by us in the city where our headquarters is then located, with the prevailing party’s costs and expenses to be borne by the other party. 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. This provision may not be enforceable under California law.
6. 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.
7. You must sign a general release if you renew or transfer your franchise. California Corporations Code § 31512 voids a waiver of your rights under the Franchise Investment Law (California Corporations Code §§ 31000 through 31516). California Business and Professions Code § 20010 voids a waiver of your rights under the Franchise Relations Act (Business and Professions Code §§ 20000 through 20043).
8. The Franchise Agreement requires that any litigation be conducted in the state of our principal place of business. This provision may not be enforceable under California law.

*[Copy Signature Block From Franchise Agreement]*



**HAWAII ADDENDUM  
TO FRANCHISE AGREEMENT**

In recognition of the requirements of the Hawaii Franchise Investment Law, Hawaii Rev. Stat. §§ 482E, *et seq.*, the Franchise Agreement, for franchises offered and sold in the State of Hawaii or to Hawaii residents, is amended to include the following:

1. Section 16.3.I. of the Franchise Agreement is amended by adding the following punctuation and language at the end of the section, before the period: “; provided, however, this release will not apply to claims as you may have under the Hawaii Franchise Investment Law. “
2. Section 20 (Miscellaneous) of the Franchise Agreement is supplemented by the addition of the following Section, which is considered an integral part of the Agreement:  
  
20.8 The general release language in this Agreement will not relieve us or any other person, directly or indirectly, from liability imposed by the Hawaii Franchise Investment Law.
3. The Hawaii Franchise Investment Law provides rights to you on nonrenewal, termination and transfer of the Agreement. If any of the provisions of the Franchise Agreement on termination are inconsistent with the Hawaii Franchise Investment Law, then this will apply.

*[Copy Signature Block From Franchise Agreement]*

## **ILLINOIS ADDENDUM TO FRANCHISE AGREEMENT**

In recognition of the requirements of the Illinois Franchise Disclosure Act of 1987, Ill. Comp. Stat. §§ 705/1 through 705/44, the Franchise Agreement, for franchises offered and sold in the State of Illinois or to Illinois residents, is amended to include the following:

1. The provisions of the Franchise Agreement on governing law, jurisdiction, and choice of law will not be a waiver of any right conferred on you by the Illinois Franchise Disclosure Act. Illinois law will govern the Franchise Agreement with respect to Illinois franchisees. Consistent with the foregoing, any provision in the Franchise Agreement that designates jurisdiction and venue in a forum outside of Illinois is void with respect to any cause of action that is otherwise enforceable in Illinois.
2. 815 ILCS § 705/41 (Illinois Franchise Disclosure Act) states that “any condition, stipulation, or provision purporting to bind any person acquiring any franchise to waive compliance with any provision of this Act or any other law of this State is void.”
3. Section 21.1 (Your Acknowledgements) is deleted from all Illinois Franchise Agreements.

*[Copy Signature Block From Franchise Agreement]*

## **INDIANA ADDENDUM TO FRANCHISE AGREEMENT**

In recognition of the requirements of the Indiana Deceptive Franchise Practices Law, Indiana Code §§ 23-2-2.7-1 through 23-2-2.7-10, and the Indiana Franchise Disclosure Law, Indiana Code §§ 23-2-2-2.5-1 through 23-2-2-2.5-51, the Franchise Agreement, for franchises offered and sold in the State of Indiana or to Indiana residents, is amended to include the following:

1. The laws of the State of Indiana supersede any provisions of the Franchise Agreement, or Georgia law if these provisions are in conflict with Indiana law. The Franchise Agreement will be governed by Indiana law, rather than Georgia law as stated in Section 22.5 (Applicable Law) of the Franchise Agreement.
2. Venue for litigation will not be limited to Georgia, as specified in Section 19.1 (Dispute Resolution) of the Franchise Agreement.
3. The prohibition by Indiana Code 23-2-2.7-1(7) against unilateral termination of the franchise without good cause or in bad faith, good cause being defined therein as “a material breach of the franchise agreement,” will supersede the provisions of Section 17 (Default and Termination) of the Franchise Agreement in the State of Indiana to the extent they may be inconsistent with this prohibition.
4. No release language stated in the Franchise Agreement will relieve us or any other person, directly or indirectly, from liability imposed by the laws on franchising of the State of Indiana.
5. Section 15.4.B. (Post-Term) of the Franchise Agreement is revised to limit the geographical extent of the post-term covenant not to compete to an area of reasonable size for all franchises sold in the State of Indiana.
6. Section 15.5 (Remedies) of the Franchise Agreement will not apply to franchises offered and sold in the State of Indiana.
7. Notwithstanding the terms of Section 4 (Territorial Rights) of the Franchise Agreement, we will not compete unfairly with you within a reasonable area.

*[Copy Signature Block From Franchise Agreement]*

**INDIANA ADDENDUM  
TO PERSONAL COVENANTS AGREEMENT**

Notwithstanding anything to the contrary stated in the Personal Covenants Agreement, the following provisions will supersede and apply:

1. The Personal Covenants Agreement is revised to limit the geographical extent of the covenant not to compete to an area of reasonable size for all franchises sold in the State of Indiana.

*[Copy Signature Block From Franchise Agreement]*

## **MARYLAND ADDENDUM TO FRANCHISE AGREEMENT**

In recognition of the requirements of the Maryland Franchise Registration and Disclosure Law, Md. Code Bus. Reg. §§ 14-201 through 14-233, the Franchise Agreement, for franchises offered and sold in the State of Maryland or to Maryland residents, is amended to include the following:

1. No release language required by Section 2.2.B(iii) of the Franchise Agreement (concerning conditions precedent to renewal), or Section 16.3.I. of the Franchise Agreement (concerning conditions precedent to transfer), will relieve us or any other person, directly or indirectly, from liability imposed by the Maryland Franchise Registration and Disclosure Law.
2. You may bring a lawsuit in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law.
3. Section 20.3 (General Release) of the Franchise Agreement is amended to include the following:

The general release required as a condition of sale shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.
4. 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.
5. Any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within 3 years after the grant of the franchise.

*[Copy Signature Block From Franchise Agreement]*

## **MINNESOTA ADDENDUM TO FRANCHISE AGREEMENT**

In recognition of the requirements of the Minnesota Franchises Law, Minn. Stat. §§ 80C.01 through 80C.22, and of the Rules and Regulations promulgated thereunder by the Minnesota Commissioner of Commerce, Minn. Rules §§ 2860.0100 through 2860.9930, the Franchise Agreement, for franchises offered and sold in the State of Minnesota or to Minnesota residents, is amended to include the following:

1. Section 9 (Intellectual Property) of the Franchise Agreement is amended by adding the following language:

9.8 The Minnesota Department of Commerce requires that we indemnify you against liability to third parties resulting from claims by third parties that your use of our trademark infringes trademark rights of the third party. We do not indemnify against the consequences of your use of our trademark except in accordance with the requirements of the Agreement, and, as a condition to indemnification, you must provide notice to us of any claim within 10 days and tender the defense of the claim to us. If we accept the tender of defense, we have the right to manage the defense of the claim including the right to compromise, settle or otherwise resolve the claim, and to determine whether to appeal a final determination of the claim.

2. Any general release language contained in the Franchise Agreement will not relieve us or any other person, directly or indirectly, from liability imposed by the Minnesota Franchises Law.
3. Section 16.3.I. (Control Transfer) of the Franchise Agreement is amended by adding the following punctuation and language at the end of this section, before the period: “; provided, however, this release will not apply to claims as you may have under the Minnesota Franchises Law and the Rules and Regulations promulgated thereunder by the Minnesota Commissioner of Commerce.”
4. Section 16 (Transfer) of the Franchise Agreement will be supplemented by adding of the following as Section 16.11 of the Franchise Agreement, which will be considered an integral part of the Franchise Agreement:

Minnesota law provides you with certain transfer rights. In sum, Minn. Stat. § 80C.14 (subd. 5) currently requires, except in certain specified cases, that consent to the transfer of the Franchise not be unreasonably withheld.

5. Section 17 (Default and Termination) of the Franchise Agreement will be supplemented by adding the following as Section 17.6 of the Franchise Agreement, which will be considered an integral part of the Franchise Agreement:

Minnesota law provides you with certain termination rights. In sum, Minn. Stat. § 80C.14 (subs. 3 and 5) currently requires, except in certain specified cases, that you be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice of nonrenewal of this Agreement, and that consent to the transfer of the Franchise not be unreasonably withheld.

6. Section 19.4 (Limitation of Claims) of the Franchise Agreement is amended by adding the following language:

Notwithstanding the foregoing, any and all claims arising under the Minnesota Franchises Law may be brought within 3 years from the date on which the cause of action accrues.

7. Section 20 (Miscellaneous) of the Franchise Agreement will be supplemented by the addition of the following Sections, which will be considered an integral part of the Agreement:

20.8 The general release language contained in this Agreement will not relieve us or any other person, directly or indirectly, from liability imposed by the Minnesota Franchise Investment Law.

20.9 Minn. Stat. Sec 80C.21 and Minn. Rule 2860.4400J prohibit us from requiring litigation to be conducted outside Minnesota. Nothing in the Franchise Disclosure Document or this Agreement can abrogate or reduce any of your rights provided for in Minnesota Statutes, Chapter 80C, or your rights to any procedure, forum or remedies provided for by the laws of the jurisdiction.

*[Copy Signature Block From Franchise Agreement]*

## **NEW YORK ADDENDUM TO FRANCHISE AGREEMENT**

In recognition of the requirements of the General Business Law of the State of New York, Article 33, Sections 680 through 695, the Franchise Agreement, for franchises offered and sold in the State of New York or to New York residents, is amended to include the following:

1. Sections 2.2.B(iii) (Conditions for Renewal Term), 16.3.I. (Control Transfer), and 20.3 (General Release) of the Franchise Agreement, are amended to add the following language immediately following the requirement that you sign a General Release:

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

2. Section 17.1 (Your Termination and Notice of Our Breach) is amended to add the following sentence at the end of the Section:

Notwithstanding the foregoing, you may terminate this Agreement on any grounds available by law under the provisions of Article 33 of the General Business Law of the State of New York.

3. Section 22.5 (Applicable Law) of the Franchise Agreement is amended to add the following sentence at the end of the Section:

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.

*[Copy Signature Block From Franchise Agreement]*



## **NORTH DAKOTA ADDENDUM TO FRANCHISE AGREEMENT**

In recognition of the requirements of the North Dakota Franchise Investment Law, N.D. Cent. Code §§ 51-19-01 through 51-19-17, and the policies of the office of the State of North Dakota Securities Commission, the Franchise Agreement, for franchises offered and sold in the State of North Dakota or to North Dakota residents, is amended to include the following:

1. Any general release language contained in the Franchise Agreement will not relieve us or any other person, directly or indirectly, from any liability imposed by the North Dakota Franchise Investment Law.
2. Section 15.4 (Restrictive Covenants) of the Franchise Agreement is amended by adding the following: “Covenants not to compete such as those mentioned above are generally considered unenforceable in the State of North Dakota.”
3. Section 16.3.I. (Control Transfer) of the Franchise Agreement is amended by adding the following punctuation and language at the end of this section, before the period: “; provided, however, this release will not apply to claims as you may have under the North Dakota Franchise Investment Law.”
4. The third sentence of Section 19.1.A. (Arbitration) is deleted.
5. Section 19.4 (Limitation of Claims) of the Franchise Agreement is modified to state that the statute of limitations under North Dakota Law will apply.
6. Section 19.5 (Waiver of Jury Trial) of the Franchise Agreement is deleted.
7. The provisions of the Franchise Agreement on governing law, jurisdiction, and choice of law will not be a waiver of any right conferred on you by the North Dakota Franchise Investment Law.

*[Copy Signature Block From Franchise Agreement]*

## **RHODE ISLAND ADDENDUM TO FRANCHISE AGREEMENT**

In recognition of the requirements of the Rhode Island Franchise Investment Act, §§ 19-28.1-1 through 19-28.1-34, the Franchise Agreement, for franchises offered and sold in the State of Rhode Island or to Rhode Island residents, is amended to include the following:

1. Section 19-28.1.-14 of the Rhode Island Franchise Investment Act provides that “A provision in a franchise agreement restricting jurisdiction or venue to a forum outside this state or requiring the application of the laws of another state is void with respect to a claim otherwise enforceable under this Act.”

*[Copy Signature Block From Franchise Agreement]*

## **WASHINGTON ADDENDUM TO FRANCHISE AGREEMENT**

In recognition of the requirements of the Washington Franchise Investment Protection Act, Wash. Rev. Code §§ 19.100.010 through 19.100.940, the Franchise Agreement, for franchises offered and sold in the State of Washington, is amended to include the following:

1. If any of the provisions in the franchise Disclosure Document or the Franchise Agreement, are inconsistent with the relationship provisions of RCW 19.100.180 or other requirements of the Washington Franchise Investment Protection Act, the provisions of the Act will prevail over the inconsistent provisions with regard to any franchise sold in Washington.
2. In any arbitration involving a franchise purchased in Washington, the arbitration site will be either in Washington or in a place as mutually agreed on at the time of the arbitration, or as determined by the arbitrator.
3. A release or waiver of rights you sign will not include rights under the Act except when executed pursuant to a negotiated settlement after the Franchise Agreement is in effect and where the parties are represented by independent counsel. Provisions such as those that unreasonably restrict or limit the statute of limitations period for claims under the Act, and rights or remedies under the Act such as a right to a jury trial, may not be enforceable.
4. The State of Washington has a statute, RCW 19.100.180 that may supersede the Franchise Agreement in your relationship with us including the areas of termination and renewal of your franchise. There also may be court decisions that may supersede the Franchise Agreement in your relationship with us including the areas of termination and renewal of your franchise.
5. On a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, Chapter 19.100 RCW will prevail.
6. Transfer fees are collectable to the extent that they reflect our reasonable estimated or actual costs in effecting a transfer.
7. Chapter 49.62 RCW limits the use of noncompetition agreements and may supersede the Agreement's noncompetition provisions. Washington law provides as follows: (1) an employee non-compete covenant is unenforceable unless the employee's annual earnings exceed \$100,000 (an amount that will be adjusted annually); (2) an independent contractor non-compete covenant is unenforceable unless the independent contractor's annual earnings exceed \$250,000; (3) a presumption is created that any non-compete covenant with a duration longer than 18 months is unreasonable and unenforceable; and (4) any contractual provision that requires an employee to adjudicate a noncompetition covenant outside of Washington State is void and unenforceable.
8. Chapter 49.62.060 RCW 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.

*[Copy Signature Block From Franchise Agreement]*

**SCHEDULE E**  
**MULTI-UNIT ADDENDUM**

(If Offered)

## **MULTI-UNIT ADDENDUM**

This Multi-Unit Addendum (the “**MU Addendum**”) is signed as of \_\_\_\_\_ between Auntie Anne’s Franchisor SPV LLC (“**we**” or “**us**”) and «Z1\_First\_Name», a «Z1\_State\_of\_Formation» «Z1\_Entity\_Type»«Z2\_First\_Name»«Z2\_Last\_Name»«Z3\_First\_Name»«Z3\_Last\_Name»«Z4\_First\_Name»«Z4\_Last\_Name»«Z5\_First\_Name»«Z5\_Last\_Name» (“**you**”).

### **BACKGROUND:**

A. We and you entered into franchise agreements of even date with this MU Addendum listed in Appendix A attached hereto, whereby we granted and you accepted licenses to operate Franchised Businesses to be located within the Site Selection Areas listed in Appendix A (the “**MUA Franchise Agreements**”). (All capitalized terms in this MU Addendum shall have the meaning assigned to them in the MUA Franchise Agreements, unless otherwise defined in this MU Addendum.)

B. It is intended that you will develop and open the Franchised Businesses licensed under the MUA Franchise Agreements (the “**MUA Businesses**”) in accordance with the terms of the MUA Franchise Agreements as amended by this MU Addendum.

NOW THEREFORE, in consideration of the promises contained herein and for other good and valuable consideration, the parties agree as follows:

1. Initial Franchise Fees. You must pay us all of the Initial Franchise Fees under each of the MUA Franchise Agreements in a lump sum upon execution of the MUA Franchise Agreements. We have no obligation to refund any portion of the Initial Franchise Fees to you, even if this Addendum or any of the MUA Franchise Agreements are terminated and/or you fail to develop one or more of the MUA Businesses.

2. Site Selection Areas. You acknowledge that you do not have any exclusive or protected rights with respect to the Site Selection Areas listed on Appendix A. Among other rights that we reserve, we may open and operate, or license third parties to open and operate, Businesses using the Marks and the System anywhere.

3. Opening and Development Deadlines. The Site Approval Deadline, the Construction Start Deadline, and the Opening Deadline set forth in Section 15 of Schedule A of each MUA Franchise Agreements is hereby amended by deleting such deadlines and replacing them with the deadlines set forth in Appendix B attached hereto. The amended schedule of deadlines shall be referred to herein as the “**Development Schedule.**”

4. Requests for Extensions. If you are diligently working to comply with the Development Schedule and are still unable to meet one or more deadline therein, you may request an extension before the expiration of such applicable deadline(s). We have the right to require you to pay a \$2,500 extension fee for each extended deadline, if we agree to modify (or if you miss) any of the deadlines. We are not obligated to extend any deadlines.

5. Termination of MUA Franchise Agreements. If you (i) fail to comply with any of the deadlines set forth in the Development Schedule and we have not granted an extension of such deadline(s) or (ii) any other agreement between you and us or our affiliates is terminated, we may, in our sole discretion, terminate this Addendum and/or any or all of the remaining MUA Franchise

Agreements for which you have not yet opened a MUA Business. For the avoidance of doubt, if you fail to comply with any of the deadlines set forth in the Development Schedule, such default shall not be grounds for us to terminate any MUA Franchise Agreements that are in effect for Franchised Businesses that are already open and operating at the time of such default.

6. Confidential Information. This MU Addendum and the terms contained herein are deemed Confidential Information under the terms of the MUA Franchise Agreements.

7. Effect of MU Addendum. In the event of any inconsistency between the terms of the MUA Franchise Agreements and the terms of this MU Addendum, the terms of this MU Addendum will supersede and control. In all other respects, the terms of the MUA Franchise Agreements are ratified and confirmed.

**IN WITNESS WHEREOF**, each of the undersigned has executed this MU Addendum under seal as of the date listed above.

**FRANCHISOR:**

**Auntie Anne’s Franchisor SPV LLC**  
a Delaware limited liability company

By: \_\_\_\_\_  
Name: **Tim Goodman**  
Title: Senior Vice President  
Franchise Administration  
  
Date: \_\_\_\_\_

**FRANCHISEE:**

«Z1\_First\_Name» «Z1\_Last\_Name»  
a «Z1\_State\_of\_Formation»  
«Z1\_Entity\_Type»

By: \_\_\_\_\_  
Name: «Signee\_1\_name»  
Title: «Signee\_1\_title»  
  
Date: \_\_\_\_\_

**Appendix A**  
**To the Multi-Unit Addendum**  
**MUA Franchise Agreements**

| <b>Unit Number</b> | <b>Site Selection Area</b> |
|--------------------|----------------------------|
|                    |                            |
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**Appendix B  
To the Multi-Unit Addendum**

**DEVELOPMENT SCHEDULE**

The first MUA Business to satisfy the requirements of the Site Approval Deadline shall be subject to the deadlines listed below for the 1<sup>st</sup> MUA Business. The second MUA Business to satisfy the requirements of the Site Approval Deadline shall be subject to the deadlines listed below for the 2<sup>nd</sup> MUA Business, and so on. If you fail to satisfy any of the required development milestones by a specified deadline (including having the minimum number of Sites for MUA Businesses approved by each Site Approval Deadline), we shall have the right to terminate the MU Addendum and the related MUA Franchise Agreements for unopened Franchised Businesses in accordance with Section 5 of the MU Addendum.

| <b>MUA Business Under Development</b> | <b>Site Approval Deadline (Section 6.5.A. of the MUA Agreements)</b> | <b>Construction Start Deadline (Section 6.5.B. of the MUA Agreements)</b> | <b>Opening Deadline (Section 6.5.C. of the MUA Agreements)</b> |
|---------------------------------------|--|---|--|
| 1 <sup>st</sup> MUA Business          |  |   |  |
| 2 <sup>nd</sup> MUA Business          |  |   |  |
| 3 <sup>rd</sup> MUA Business          |  |   |  |
| 4 <sup>th</sup> MUA Business          |  |   |  |
| 5 <sup>th</sup> MUA Business          |  |   |  |
| 6 <sup>th</sup> MUA Business          |  |   |  |
| 7 <sup>th</sup> MUA Business          |  |   |  |
| 8 <sup>th</sup> MUA Business          |  |   |  |
| 9 <sup>th</sup> MUA Business          |  |   |  |
| 10 <sup>th</sup> MUA Business         |  |   |  |



**EXHIBIT C**  
**OTHER AGREEMENTS**



## NON-DISCLOSURE AND CONFIDENTIALITY AGREEMENT

(Prospective Franchisee)

During the process of investigating the purchase of an Auntie Anne's franchise, the undersigned has expressed an interest in obtaining information about the Auntie Anne's franchise program. Auntie Anne's Franchisor SPV LLC (the "**Franchisor**") is comfortable providing the undersigned with such information, however, due to the sensitive nature of the information that is likely to be disclosed to the undersigned, it is necessary for the Franchisor to ensure that the information is maintained in confidence by the undersigned and not disclosed in an unauthorized manner. Therefore, in consideration for our agreement to provide the undersigned with access to the Franchisor's Confidential Information (as defined below), the undersigned agrees to the following requirements and restriction, effective with the signing of this Agreement and continuing for so long as the Confidential Information remains confidential and proprietary to the Franchisor:

1. The undersigned agrees to use the Confidential Information (as defined below) to which he/she is exposed only in connection with the undersigned's investigation of an Auntie Anne's franchise and for no other purpose.

2. The undersigned agrees to maintain the Confidential Information in strictest confidence and not to copy, reproduce or otherwise transmit the Confidential Information without the Franchisor's prior written consent, which may be denied in the Franchisor's sole discretion.

3. The undersigned may not disclose or disseminate the Confidential Information to any third party without the Franchisor's prior written consent, except the undersigned may share the Confidential Information with his/her financial and legal advisors on a need to know basis only and only if such advisors agree to be bound by the terms and conditions of this Agreement.

4. At the Franchisor's request, upon the undersigned's completion of his/her investigation of an Auntie Anne's franchise, the undersigned agrees to return to the Franchisor all Confidential Information received by the undersigned or to otherwise dispose of it in accordance with the Franchisor's instructions.

For purposes of this Agreement, "Confidential Information" shall mean all financial, business, market and operating information of any kind to relating to the Auntie Anne's franchise program or the operation of an Auntie Anne's franchise, all recipe ingredients, operational methods and processes, shop layouts, equipment specifications, list of suppliers and vendors, financial information pertaining to the Franchisor, shop design criteria, shop location criteria, blueprints, operational and financial standards, and all related matters regarding Auntie Anne's businesses, whether communicated in writing or orally. "Confidential Information" does not include data, material or information: (i) which is known to the undersigned at the time of disclosure as demonstrated by the undersigned's files and records; (ii) becomes known to the undersigned from another source without confidentiality restrictions; or (iii) is or becomes part of the public domain through no act or omission by the undersigned.

The undersigned represents and warrants that he/she is not employed by or in any way affiliated with or connected to, directly or indirectly, any other person or company that produces or sells products that compete with the products sold at Auntie Anne's shop or that otherwise competes with Auntie Anne's shops. The undersigned further represents and warrants that he/she is not submitting a franchise application to the Franchisor for the purpose of obtaining information about the Auntie Anne's franchise system for or on behalf of any other person or company. The undersign has or will disclose to Franchisor all businesses that he/she is in any way affiliated with or connected to, directly or indirectly.

The undersigned agrees to indemnify and hold Auntie Anne's harmless from any and all costs, expenses, damages and attorneys' fees arising from or related to the undersigned's breach of this Agreement.

The undersigned and Franchisor consent and agree that all legal proceedings relating to the subject matter of this Agreement shall be maintained in the federal and/or state courts of the State of Georgia, and all parties hereto consent and agree that jurisdiction and venue for such proceedings shall lie exclusively within said Courts.

By: \_\_\_\_\_  
Name: «Signee\_3\_name»

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

## **CONCESSION SHOP SCHEDULE**

If you will be operating a Concession Shop, the following Schedule will replace Schedule A of the Franchise Agreement that is attached as Exhibit B to this Disclosure Document.

## SCHEDULE A

### FRANCHISE SPECIFIC TERMS

#### (AUNTIE ANNE'S® CONCESSION SHOP)

1. **“Effective Date”** means: \_\_\_\_\_
2. **“Franchisor”** means: Auntie Anne's Franchisor SPV LLC, a Delaware limited liability company
3. **“Franchisee”** means: «Z1\_First\_Name» «Z1\_Last\_Name», a «Z1\_State\_of\_Formation» «Z1\_Entity\_Type», «Z2\_First\_Name» «Z2\_Last\_Name», a «Z2\_State\_of\_Formation» «Z2\_Entity\_Type» «Z3\_First\_Name» «Z3\_Last\_Name», a «Z3\_State\_of\_Formation» «Z3\_Entity\_Type» «Z4\_First\_Name» «Z4\_Last\_Name», a «Z4\_State\_of\_Formation» «Z4\_Entity\_Type» «Z5\_First\_Name» «Z5\_Last\_Name»
4. **Recital A: “Approved Products”** means hand-rolled soft pretzels prepared in accordance with a unique recipe, specialty products featuring soft pretzel dough, lemonade and other frozen and non-frozen drink products, and other related food products, beverage products, and related services we approve.
5. **Recital A: The “Primary Mark”** is: AUNTIE ANNE'S®
6. **Section 1.1 (Accepted Location):**

Because you are operating a Concession Shop, the Accepted Location means any locations we approve pursuant to Section 5.3 (Acceptance of Proposed Location) and the following pre-approved locations: \_\_\_\_\_. The commissary for your Franchised Business will be: «location\_name», «store\_street\_address», «store\_city», «store\_state» «store\_zip». **OR** \_\_\_\_\_.

7. **Section 1.4.A. (Owners of Equity):** Below is a complete list of your Owners and breakdown of your ownership structure:
8. **Section 3.1 (Initial Franchise Fee):** The Initial Franchise Fee shall be equal to \$10,500 (the “Initial Franchise Fee”).
9. **Section 3.2.A. (Royalty Fee):**

The Royalty Fee shall be 7% of the Net Sales of the Franchised Business, payable each week on the Net Sales of the Franchised Business for the preceding week (or on any other basis stated in the Manuals or in our written notice to you). We may increase the Royalty Fee at any time during the Term in our sole and exclusive business judgment by 1% of Net Sales up to a maximum of 8% of Net Sales.

10. **Section 3.2.B. (Advertising Contribution):**

The Advertising Contribution shall be in an amount we determine, in our sole discretion, which when combined with the Local Marketing Obligation (as specified in Section 10.1.E. (Local Marketing Obligation)) shall not exceed 5% of the Net Sales of the Franchised

Business, payable each week on the Net Sales of the Franchised Business for the preceding week (or on any other basis stated in the Manuals or in our written notice to you).

**11. Section 4.1 (Reserved Rights):** The following provisions are added to Section 4.1 of the Agreement.

A. No Protected Rights. You do not have any protected or exclusive rights under this Agreement.

B. Our Reserved Rights. We reserve all rights that we do not expressly grant you in this Agreement. We and our affiliates have the right to conduct, or authorize third parties to conduct, any business activities, under any name, in any geographic area, and at any location, regardless of the proximity to or effect on your Franchised Business. For example, without limitation, we have the following rights, without providing any rights or compensation to you:

- (i) We and/or our affiliates may establish or license franchises and/or company-owned businesses offering products or services that are similar or identical to the Approved Products using the System or elements of the System under the Marks or any other marks anywhere, including at or near your Accepted Location.
- (ii) We and/or our affiliates may produce and/or sell Approved Products or any other products or services, and authorize others to produce and/or sell Approved Products or any other products or services, using the Marks, the System, and any other marks and/or systems we desire through any alternative channel of distribution located anywhere, including to and through (a) supermarkets, convenience stores, club stores, and other retail facilities not dedicated to the sale of the Approved Products, (b) mail order and e-commerce channels, and (c) kitchens devoted to the preparation of Products or Approved Products (often referred to as ghost, dark or cloud kitchens), which may use the Marks and may deliver to customers located anywhere.
- (iii) We and/or our affiliates may advertise, or authorize others to advertise, using the Marks anywhere.
- (iv) We and/or our affiliates may acquire, be acquired by, or merge with another entity with existing businesses or franchises that are similar to or competitive with the Businesses anywhere and (i) convert the other businesses to be Businesses operating under the Marks and the System, (ii) permit the other businesses to continue to operate under another name anywhere, and/or (iii) permit the businesses to operate under another name and convert your Franchised Business and existing Businesses to such other name.

**12. Section 6.5 (Opening and Development Deadlines):**

| <b>EVENT</b>                                 | <b>COMPLETION DEADLINE</b>               |
|--|--|
| Site Approval Deadline (Section 6.5.A.)      | Not applicable                           |
| Construction Start Deadline (Section 6.5.B.) | Within 240 days after the Effective Date |
| Opening Deadline (Section 6.5.C.)            | Within 360 days after the Effective Date |

**13. Section 10.1.C. (Grand Opening Advertising):**

Your Grand Opening Obligation is that you must spend at least \$1,000 in grand opening advertising promoting the opening of your Franchised Business within the period beginning 90 days before the Opening Date and ending 90 days after the Opening Date. We will have the right to determine the appropriate minimum amount (which may exceed \$1,000 but shall not exceed \$5,000) for your Grand Opening Obligation based upon the type of unit in question, location, size, territory demographics, and related factors.

**14. Section 10.1.E. (Local Marketing Obligation):**

Your Local Marketing Obligation shall be equal to 1% of the Net Sales of your Franchised Business per calendar quarter.

**15. Section 11.1.A (Required Trainees):**

The Required Trainees shall consist of one Manager (who may be you, if you are an individual, or your Primary Contact), one other employee who will be involved in the operation of the Franchised Business, and any other individuals that we designate.

**16. Section 11.1.B (Training Fees):**

Except as otherwise provided in Section 11.1.B., we will provide the Management Training Program at no additional charge for any Required Trainees.

**17. Section 11.1.D (Completion of Training):**

At least one of your Required Trainees must successfully complete our Management Training Program at least two weeks before you are scheduled to open your Franchised Business.

**18. Section 11.2 (On-Site Training):**

If this is your first or second Franchised Business (including Franchised Businesses owned by your affiliates), we may, in our sole discretion, send one or more of our representatives to the Franchised Business, at our expense, for up to two days of On-Site Training concurrent with beginning operations.

**19. Section 12.7 (Your Participation; Manager):**

Your Franchised Business must employ at least one Manager who has successfully completed the Management Training Program and is dedicated to the Franchised Business.

## **20. Section 13.2 (Required Insurance)**

Currently, you must obtain and maintain the following coverage:

1. Comprehensive General Liability Insurance, including Products & Completed Operations coverage with limits not less than \$1,000,000 per occurrence and \$2,000,000 in the aggregate with a maximum \$5,000 deductible per occurrence;
2. Statutory Workers' Compensation insurance, including employer's liability insurance, with limits not less than \$500,000;
3. Automobile Liability insurance with a combined single limit of \$1,000,000 for any owned, hired, or non-owned automobile used in connection with the Franchised Business;
4. "Follow Form" Umbrella/Excess Liability Policy with limits not less than \$2,000,000 per occurrence and in the aggregate that is in excess of items 1, 2 (employer's liability insurance only), and 3 above;
5. Business Property Insurance that extends coverage on a replacement cost basis for business personal property including electronic equipment, tenant improvements and betterments, the replacement of the truck/trailer/stand, and business income and extra expense, with covered causes of loss as "Special" or "All Risk" with coinsurance conditions not less than 80%, and further, if you are in a location that resides in FEMA Flood Zones beginning with the letters "A" or "V", coverage for Flood;
6. Dram Shop Liquor Liability (if you serve alcohol) with limits not less than \$1,000,000 per occurrence and \$2,000,000 in the aggregate; and
7. Other insurance required by an applicable state or local authority.

In addition, we recommend, and may require, you to obtain and maintain Employment Practices Liability insurance, including third party coverage and Wage & Hour (FLSA) coverage, and Cyber Liability insurance. If we require you to obtain this coverage, we will specify the minimum requirements in the Manuals. However, if you obtain a claims made policy, you must provide a tail coverage policy for no less than one year after the expiration or termination of this Agreement or the closure of the Franchised Business, whichever occurs first. The tail coverage limits must be equal to, or greater than, the limits provided in the prior policy.

## **19. Section 15.4 (Restrictive Covenants):**

A "Competing Product" includes any soft pretzels or soft-pretzel-based products.

## **20. Section 20.5 (Notices):**



The notice address for the Franchisor shall be:

Auntie Anne's Franchisor SPV LLC, 5620 Glenridge Drive, NE, Atlanta, Georgia 30342,  
Attention: Legal Department

The notice address for the Franchisee shall be: The notice address for the Franchisee shall be: «C1\_contact\_street», «C1\_contact\_city», «C1\_contact\_state» «C1\_contact\_zip».

## 21. Section 22.11 (Additional Terms; Inconsistent Terms):

- A. **Section 1.1 (Grant of Franchise)** of the Agreement is amended to add the following sentence:

Your Franchised Business shall operate as an Auntie Anne's® [concession trailer / food truck / temporary stand with a farmers' market] (a "**Concession Shop**"), which shall sell a limited selection of Approved Products designated by us. The Concession Shop may be operated in another facility or private space, which shall be referred to as the "**Host Facility**".

- B. **Section 2.1 (Initial Term)** of the Agreement is deleted in its entirety and replaced with the following:

Term. The term of this Agreement (the "**Term**") will begin on the Effective Date and will end 10 years from the date that your Franchised Business opens for business (the "**Opening Date**"), unless this Agreement is terminated sooner as provided in other sections of this Agreement.

- C. **Section 2.2 (Renewal Term)** of the Agreement is deleted in its entirety.
- D. **Section 4.3 (Catering and Delivery Services)** of the Agreement is deleted in its entirety.
- E. **Section 5.3 (Acceptance of Proposed Location)** of the Agreement is deleted and replaced with the following:

If your Concession Shop is a concession trailer or food truck, you may operate it from multiple Accepted Locations. You must obtain our written approval, which we may withhold in our sole discretion, if you would like to operate from any additional locations. You will provide us with all material we request to evaluate the suitability of each Proposed Location from which you propose operating the Concession Shop, including any related agreements (such as leases or concessions agreements) with Host Facilities (if any) ("**Site Agreements**"). We will provide you with our acceptance or non-acceptance of the Proposed Location within 15 days after you deliver the last item of materials we request, and our determination will be final. You acknowledge and agree that we typically will not approve the operation of a Concession Shop within a two-mile radius from any existing open and operating permanent Franchised Business. If we approve a Proposed Location in writing, we will designate it as an "Accepted Location" under this Agreement. Our acceptance of any Proposed Location is our agreement that the Proposed Location satisfies our selection criteria only and will not be construed as

a representation or warranty that the Franchised Business located at the Proposed Site will be successful. You must ensure that the Site Agreements comply with any terms set forth in the Manuals and do not have any terms inconsistent with this Agreement. You may not execute any Site Agreements until you receive our written approval for the Accepted Location, and you must duly and timely perform all terms under the Site Agreements. We may withdraw our approval for previously-approved Accepted Locations in our sole discretion.

F. **Section 5.4 (Site Acquisition) and Section 5.5 (Relocation of the Franchised Business)** of the Agreement are deleted in their entirety.

G. **Section 6 (Leasehold Improvements)** of the Agreement is amended by adding the following as Section 6.6 to the Agreement:

Mobile Unit Acquisition. If you operate a concession trailer or food truck (a “**Mobile Unit**”), you must acquire the Mobile Unit and related equipment from our designated Supplier, which may be us or one of our affiliates. You must obtain our written approval for the design of, and any initial or subsequent modifications to, the Mobile Unit.

H. **Section 7.2 (Approved Products)** of the Agreement is amended by adding the following:

Notwithstanding the foregoing, you acknowledge and agree that you must obtain our prior written approval of the limited menu offered at the Franchised Business.

I. **Section 7.6 (Test Marketing)** is deleted in its entirety.

J. **Section 8.2 (Compliance with the System)** of the Agreement is amended by adding the following:

You agree to operate the Franchised Business in strict compliance with the Standards, except that the Franchised Business is permitted to sell a limited selection of Approved Products.

K. **Section 12.6 (Refreshes and Remodels)** of the Agreement is deleted in its entirety.

L. **Section 12.8 (Computer System)** of the Agreement is amended by adding the following:

Notwithstanding the foregoing, you acknowledge and agree to install a separate point of sale system approved by us.

M. **Section 12.10 (Hours of Operation)** of the Agreement is deleted in its entirety.

N. **Section 12 (Your Obligations)** of the Agreement is amended by adding the following as Section 12.13:

Advisory Councils. We may form Regional Advisory Franchisee Councils (each, a “**Council**”), in our sole discretion, at any time that more than one Business is

operated in any given region, the boundaries of which we will determine. If we create a Council in your region, you must participate actively in the Council applicable to your Franchised Business and attend and participate in all Council programs and meetings for the Council for your Franchised Business. You shall pay all assessments levied by the Council for your Franchised Business, and we have the right to enforce this obligation. Amounts and expenditures may vary from time to time and such variations may be due to variations in Council participation and costs as determined by a particular Council and any other factors approved by us. In addition, from time to time, as part of your participation in the Council, we may require that you travel to our corporate headquarters to attend a meeting with one or more corporate employees or executives.

O. **Sections 16.3.K. (Control Transfer), 16.4 (Non-Control Transfers), 16.5 (Related Party Transfers), and 18.2.D. (Reinstatement Fee)** of the Agreement are revised to replace each instance of “then-current Initial Franchise Fee” with “then-current Initial Franchise Fee for a Concession Shop.”

P. **Section 17.2 (Our Termination; No Opportunity to Cure)** of the Agreement is amended by adding the following Section 17.2.M. and 17.2.N.:

17.2.M. If you operate a Concession Shop located in a Host Facility and you fail to comply with any of the terms of the Site Agreement or Site Agreement is terminated or (if it is your only Accepted Location) expires.

17.2.N. If you operate a Concession Shop located in a Host Facility and the Host Facility or the Host Facility’s brand deteriorates in quality or reputation such that, in our sole judgment, our association with the Host Facility or the Host Facility’s brand is damaging or may damage the Auntie Anne’s brand or the Marks.

**[SCHEDULE A SIGNATURE PAGE FOLLOWS]**

Signature Page for Schedule A (Franchise Specific Terms)

**FRANCHISOR:**

**Auntie Anne's Franchisor SPV LLC**  
a Delaware limited liability company

By: \_\_\_\_\_  
Name: **Tim Goodman**  
Title: Senior Vice President  
Franchise Administration

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

**FRANCHISEE:**

«Z1\_First\_Name» «Z1\_Last\_Name»  
a «Z1\_State\_of\_Formation»  
«Z1\_Entity\_Type»

By: \_\_\_\_\_  
Name: «Signee\_1\_name»  
Title: «Signee\_1\_title»

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

By: \_\_\_\_\_  
Name: «Signee\_2\_name»  
Title: «Signee\_2\_title»

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

## **CO-BRANDED SHOP SCHEDULE**

If you will be operating a Co-Branded Shop, the following Schedule will replace Schedule A of the Franchise Agreement that is attached as Exhibit B to this Disclosure Document.

**SCHEDULE A**  
**FRANCHISE SPECIFIC TERMS**  
**(CO-BRANDED SHOP)**

1. **“Effective Date”** means: \_\_\_\_\_
2. **“Franchisor”** means: Auntie Anne’s Franchisor SPV LLC, a Delaware limited liability company
3. **“Franchisee”** means: «Z1\_First\_Name» «Z1\_Last\_Name», a «Z1\_State\_of\_Formation» «Z1\_Entity\_Type», «Z2\_First\_Name» «Z2\_Last\_Name», a «Z2\_State\_of\_Formation» «Z2\_Entity\_Type»«Z3\_First\_Name» «Z3\_Last\_Name», a «Z3\_State\_of\_Formation» «Z3\_Entity\_Type»«Z4\_First\_Name» «Z4\_Last\_Name», a «Z4\_State\_of\_Formation» «Z4\_Entity\_Type»«Z5\_First\_Name» «Z5\_Last\_Name»
4. **Recital A: “Approved Products”** means hand-rolled soft pretzels prepared in accordance with a unique recipe, specialty products featuring soft pretzel dough, lemonade and other frozen and non-frozen drink products, and other related food products, beverage products, and related services we approve.
5. **Recital A:** The **“Primary Mark”** is: AUNTIE ANNE’S®
6. **Section 1.1 (Accepted Location):** The Accepted Location means: «location\_name», «store\_street\_address», «store\_city», «store\_state» «store\_zip». **[OR]** a location to be determined and added to this Agreement located in the following Site Selection Area:  
\_\_\_\_\_.
7. **Section 1.4.A. (Owners of Equity):** Below is a complete list of your Owners and breakdown of your ownership structure:
8. **Section 3.1 (Initial Franchise Fee):** The Initial Franchise Fee shall be equal to \$ \_\_\_\_\_.
9. **Section 3.2.A. (Royalty Fee):**  
  
The Royalty Fee shall be 6% of the Net Sales of the Franchised Business, payable each week on the Net Sales of the Franchised Business for the preceding week (or on any other basis stated in the Manuals or in our written notice to you). [For Jamba Co-Branded Shops Only: We may increase the Royalty Fee at any time during the Term in our sole and exclusive business judgment by 1% of Net Sales up to a maximum of 7% of Net Sales.] We and the Co-Branded Franchisor will jointly collect the Royalty Fee from you based on the Net Sales of the entire Co-Branded Franchise.
10. **Section 3.2.B. (Advertising Contribution):**  
  
[For Cinnabon Co-Branded Shops: The Advertising Contribution shall be 3% of the Net Sales of the Franchised Business,] [For Jamba Co-Branded Shops: The Advertising Contribution shall be in an amount we determine, in our sole discretion, which shall not exceed 4% of the Net Sales of the Franchised Business,] payable each week on the Net

Sales of the Franchised Business for the preceding week (or on any other basis stated in the Manuals or in our written notice to you). We and the Co-Branded Franchisor will jointly collect the Advertising Contribution from you based on the Net Sales of the entire Co-Branded Franchise.

**11. Section 4.1 (Reserved Rights):** The following provisions are added to Section 4.1 of the Agreement.

A. No Protected Rights. You do not have any protected or exclusive rights under this Agreement.

B. Our Reserved Rights. We reserve all rights that we do not expressly grant you in this Agreement. We and our affiliates have the right to conduct, or authorize third parties to conduct, any business activities, under any name, in any geographic area, and at any location, regardless of the proximity to or effect on your Franchised Business. For example, without limitation, we have the following rights, without providing any rights or compensation to you:

(i) We and/or our affiliates may establish or license franchises and/or company-owned businesses offering products or services that are similar or identical to the Approved Products using the System or elements of the System under the Marks or any other marks anywhere, including at or near your Accepted Location.

(ii) We and/or our affiliates may produce and/or sell Approved Products or any other products or services, and authorize others to produce and/or sell Approved Products or any other products or services, using the Marks, the System, and any other marks and/or systems we desire through any alternative channel of distribution located anywhere, including to and through (a) supermarkets, convenience stores, club stores, and other retail facilities not dedicated to the sale of the Approved Products, (b) mail order and e-commerce channels, and (c) kitchens devoted to the preparation of Products or Approved Products (often referred to as ghost, dark or cloud kitchens), which may use the Marks and may deliver to customers located anywhere.

(iii) We and/or our affiliates may advertise, or authorize others to advertise, using the Marks anywhere.

(iv) We and/or our affiliates may acquire, be acquired by, or merge with another entity with existing businesses or franchises that are similar to or competitive with the Businesses anywhere and (i) convert the other businesses to be Businesses operating under the Marks and the System, (ii) permit the other businesses to continue to operate under another name anywhere, and/or (iii) permit the businesses to operate under another name and convert your Franchised Business and existing Businesses to such other name.

**12. Section 6.5 (Opening and Development Deadlines):**

| EVENT  | COMPLETION DEADLINE                      |
|--|--|
| Site Approval Deadline (Section 6.5.A.)      | Within 150 days after the Effective Date |
| Construction Start Deadline (Section 6.5.B.) | Within 270 days after the Effective Date |
| Opening Deadline (Section 6.5.C.)            | Within 360 days after the Effective Date |

**13. Section 10.1.C. (Grand Opening Advertising):**

Your Grand Opening Obligation is that you must spend at least \$2,000 in grand opening advertising promoting the opening of your Franchised Business within the period beginning 90 days before the Opening Date and ending 90 days after the Opening Date.

**14. Section 10.1.E. (Local Marketing Obligation):**

Your Local Marketing Obligation shall be equal to 1% of the Net Sales of your Franchised Business per calendar quarter.

**15. Section 11.1.A (Required Trainees):**

The Required Trainees shall consist of one Manager (who may be you, if you are an individual, or your Primary Contact), one other employee who will be involved in the operation of the Franchised Business, and any other individuals that we designate.

**16. Section 11.1.B (Training Fees):**

Except as otherwise provided in Section 11.1.B., we will provide the Management Training Program at no additional charge for any Required Trainees.

**17. Section 11.1.D (Completion of Training):**

At least one of your Required Trainees must successfully complete our Management Training Program at least two weeks before you are scheduled to open your Franchised Business.

**18. Section 11.2 (On-Site Training):**

If this is your first or second Franchised Business (including Franchised Businesses owned by your affiliates), we will send one or more of our representatives to the Franchised Business, at our expense, for a minimum of two days of On-Site Training concurrent with beginning operations.

**19. Section 12.7 (Your Participation; Manager):**

Your Franchised Business must employ at least one Manager who has successfully completed the Management Training Program and is dedicated to the Franchised Business.

**20. Section 13.2 (Required Insurance):**



Currently, you must obtain and maintain the following coverage:

- A. Comprehensive General Liability Insurance, including Products & Completed Operations coverage with limits not less than \$1,000,000 per occurrence and \$2,000,000 in the aggregate with a maximum \$5,000 deductible per occurrence;
- B. Dram Shop Liability (if you serve alcohol) with limits not less than \$1,000,000 per occurrence and \$2,000,000 in the aggregate;
- C. Statutory Workers' Compensation insurance, including employer's liability insurance, with limits not less than \$500,000;
- D. Automobile Liability insurance with a combined single limit of \$1,000,000 for any owned, hired, or non-owned automobile used in connection with the Franchised Business;
- E. "Follow Form" Umbrella/Excess Liability Policy with limits not less than \$2,000,000 per occurrence and in the aggregate that is in excess of items 1, 2, 3 (employer's liability insurance only), and 4 above;
- F. Business Property Insurance that extends coverage on a replacement cost basis for business personal property including electronic equipment, tenant improvements and betterments, and business income and extra expense, with covered causes of loss as "Special" or "All Risk" with coinsurance conditions not less than 80%, and further, if you are in a location that resides in FEMA Flood Zones beginning with the letters "A" or "V", coverage for Flood;
- G. Employment Practices Liability insurance, including third-party coverage, with limits not less than \$1,000,000 per employee and \$1,000,000 per accident;
- H. Cyber Liability insurance with limits not less than \$1,000,000; and
- I. Other insurance required by an applicable state or local authority.

If you obtain a claims made policy, you must provide a tail coverage policy for no less than one year after the expiration or termination of this Agreement or the closure of the Franchised Business, whichever occurs first. The tail coverage limits must be equal to, or greater than, the limits provided in the prior policy.

**21. Section 15.4 (Restrictive Covenants):**

A "Competing Product" includes any soft pretzels or soft-pretzel-based products.

**22. Section 20.5 (Notices):**

The notice address for the Franchisor shall be:

Auntie Anne's Franchisor SPV LLC, 5620 Glenridge Drive, NE, Atlanta, Georgia 30342,  
Attention: Legal Department

The notice address for the Franchisee shall be: «C1 contact street», «C1 contact city», «C1 contact state» «C1 contact zip».

23. **Section 22.11 (Additional Terms; Inconsistent Terms):** The following additional terms amend the applicable Sections of the Agreement:

A. **Section 1.1 (Grant of Franchise)** is amended to add the following sentence:

The Franchised Business must be operated at the Accepted Location in conjunction with a [Cinnabon®] [Jamba®] franchised business (the “**Co-Branded Franchise**”) that is operated by you in accordance with a [Cinnabon®] [Jamba®] franchise agreement (the “**Co-Branded Agreement**”) between you and [Cinnabon Franchisor SPV LLC] [Jamba Franchisor SPV LLC] (the “**Co-Branded Franchisor**”). The Franchised Business and the Co-Branded Franchise shall be co-branded using the Marks and the trademarks licensed to you by the Co-Branded Franchisor.

B. **Section 1.4 (Owners of Equity)** is amended to add the following sentence:

You represent and warrant that the Franchisee and Owners under this Agreement are identical to, and throughout the Term will continue to be identical to, those under the Co-Branded Agreement.

C. **Section 2.2 (Conditions for Renewal Term)** is amended by adding the following numerette:

(v) Obtain the right from Co-Branded Franchisor to continue to operate the Co-Branded Franchise at the Accepted Location for the duration of the Renewal Term, which may require you to meet certain renewal conditions required by Co-Branded Franchisor, including signing a renewal Co-Branded Agreement.

D. **Section 3 (Fees)** is amended by adding the following as Section 3.8:

3.8. Collection of Fees for Co-Branded Franchises. We and the Co-Branded Franchisor may both independently impose the following fees in accordance with the terms of this Agreement and/or the Co-Branded Agreement (in other words, (a) we could charge the fee and the Co-Branded Franchisor could also separately charge the same fee or (b) we could charge the fee, even if the Co-Branded Franchisor does not do so): (i) the Renewal Fee; (ii) the Ordering Support Fee; (iii) fees related to Advertising Cooperatives, brand promotions, taxes and related payments, conferences and programs, brand advisory councils, Transfers, gift card and loyalty programs, loyalty apps, online ordering, purchasing programs, supply chains, insurance policies, development deadline extensions, indemnification provisions, attorneys’ fees, and the reinstatement of franchises; and (iv) any other fees that are brand-specific or relate to costs that may be separately incurred by us and/or the Co-Branded Franchisor. All other fees will be charged by (x) us or the Co-Branded Franchisor, but not both or (y) jointly by both us and the Co-Branded Franchisor (and split between the two of us).

E. **Section 7.2 (Approved Products)** is amended by adding the following sentence:

You acknowledge that by virtue of the co-branded nature of the Franchised Business, the menu for your Franchised Business may not consist of all of the

menu items normally offered at a Business.

F. **Section 8.2 (Compliance with the System)** is amended by adding the following:

We and you agree to cooperate in good faith with each other and with the Co-Branded Franchisor to accommodate the different requirements of each brand's franchise agreements, manuals, policies, and procedures to enable efficient and harmonious operations of multiple brands within the Accepted Location. You must comply with the most stringent duties and obligations set forth in the franchise agreements of both concepts. You acknowledge and agree that we have the right to communicate with the Co-Branded Franchisor regarding any aspect of your development or operation of the Franchised Business and to provide the Co-Branded Franchisor with copies of all default and termination notices which may arise under this Agreement.

G. **Section 12.8 (Computer System)** is amended by adding the following:

You may use the Computer System to operate both the Franchised Business and the Co-Branded Franchise.

H. **Section 12 (Your Obligations)** is amended by adding the following as Section 12.13:

12.13 Advisory Councils. We may form Regional Advisory Franchisee Councils (each, a "**Council**"), in our sole discretion, at any time that more than one Business is operated in any given region, the boundaries of which we will determine. If we create a Council in your region, you must participate actively in the Council applicable to your Franchised Business and attend and participate in all Council programs and meetings for the Council for your Franchised Business. You shall pay all assessments levied by the Council for your Franchised Business, and we have the right to enforce this obligation. Amounts and expenditures may vary from time to time and such variations may be due to variations in Council participation and costs as determined by a particular Council and any other factors approved by us. In addition, from time to time, as part of your participation in the Council, we may require that you travel to our corporate headquarters to attend a meeting with one or more corporate employees or executives.

We have formed the Auntie Anne's Franchise Advisory Council, an advisory council consisting of franchisee representatives elected by their peers and representatives appointed by us ("**FAC**"). FAC is an advisory council whose input we consider regarding brand development, franchise support, new business, marketing, product, design, equipment, operations and new revenue channels. You acknowledge that we may use the Advertising Contribution to fund FAC expenses.

I. **Section 14.1 (Inspections and Audits)** is amended by adding the following:

You acknowledge that the Co-Branded Franchisor may conduct any of the inspections or audits described in this Section 14 and that you will cooperate with their efforts to do so.

J. **Section 16.2 (No Transfer Without Our Consent)** is amended by adding the following sentence:

In addition, you may not Transfer any interest in the Agreement or in the Franchised Business unless you simultaneously transfer to the same third-party transferee the same interest in your Co-Branded Franchisor or in your Co-Branded Franchise, as the case may be. You acknowledge that you will have to satisfy the transfer procedures for both us (as set forth in this Agreement) and the Co-Branded Franchisor (as set forth in your Co-Branded Agreement), including the right to approve the Transfer and the proposed transferees and payment of any transfer fees due under each agreement.

K. **Section 17.2 (Our Termination: No Opportunity to Cure)** is amended by adding the following new Section 17.2.M.:

17.2.M. Your Co-Branded Agreement terminates or expires or you for any other reason cease to operate the Co-Branded Franchise at the Accepted Location.

**[SCHEDULE A SIGNATURE PAGE FOLLOWS]**

Signature Page for Schedule A (Franchise Specific Terms)

**FRANCHISOR:**

**Auntie Anne's Franchisor SPV LLC**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

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

**FRANCHISEE:**

«Z1\_First\_Name»: «Z1\_Last\_Name»

By: \_\_\_\_\_

Name: «Signee\_1\_name»

«Z1\_State\_of\_Formation»

Title: «Signee\_1\_title»

«Z1\_State\_of\_Formation»

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

By: \_\_\_\_\_ L.S.

Name: «Signee\_2\_name»

Title: «Signee\_2\_title»

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

By: \_\_\_\_\_ L.S.

Name: «Signee\_3\_name»

Title: «Signee\_3\_title»

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

**AUNTIE ANNE'S SATELLITE RETAIL UNIT ADDENDUM**

This Addendum (the “**SRU Addendum**”) is signed as of \_\_\_\_\_, 20\_\_\_\_ (the “**SRU Addendum Date**”) between Auntie Anne's Franchisor SPV LLC, a Delaware limited liability company (“**we**” or “**us**”) and «Z1\_First\_Name» «Z1\_Last\_Name», a «Z1\_State\_of\_Formation» «Z1\_Entity\_Type», «Z2\_First\_Name» «Z2\_Last\_Name», a «Z2\_State\_of\_Formation» «Z2\_Entity\_Type»«Z3\_First\_Name» «Z3\_Last\_Name», a «Z3\_State\_of\_Formation» «Z3\_Entity\_Type»«Z4\_First\_Name» «Z4\_Last\_Name», a «Z4\_State\_of\_Formation» «Z4\_Entity\_Type»«Z5\_First\_Name» «Z5\_Last\_Name» (“**you**”).

**BACKGROUND:**

A. We and you entered into a franchise agreement dated \_\_\_\_\_ (the “**Franchise Agreement**”), whereby we granted and you accepted a license to operate a Auntie Anne's® shop No. «Store\_Number» located at «location\_name», «store\_street\_address», «store\_city», «store\_state» «store\_zip».

B. We and you desire to amend the Franchise Agreement on the terms outlined below to allow you to operate a satellite retail unit (a “**SRU**”).

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

1. **Section 1.1 (Grant of Franchise)** of the Franchise Agreement is deleted and replaced with the following:

1.1 Grant of Franchise. Subject to the terms of this Agreement, we grant to you, and you accept, a non-exclusive license to operate one Business using the Marks and the System (collectively, your “**Franchised Business**”). Unless we authorize you to operate a satellite retail unit (a “**SRU**”), the Franchised Business will be operated only at the location specified in Schedule A (the “**Accepted Location**”) or, if we have not yet accepted a site for the Franchised Business as of the date of this Agreement, at a location that we have accepted in accordance with this Agreement within the geographic area specified in Schedule A (the “**Site Selection Area**”). If we approve you to operate an SRU, you may engage in certain, but not all, of the activities contemplated by this Agreement from a location that we specify (the “**SRU Location**”). The SRU will also be considered part of the definition of Franchised Business.

2. **Section 3.2.C. (Net Sales)** of the Franchise Agreement is amended by adding the following:

For the avoidance of doubt, “Net Sales” includes all revenues generated from an SRU.

3. **Section 5.1 (Accepted Location)** of the Franchise Agreement is amended by adding the following:

We approve you to sell a limited selection of Approved Products in an SRU at the following SRU Location: \_\_\_\_\_.

4. **Section 5.4.A. (Acceptance and Execution of Site Agreement)** of the Franchise Agreement is amended by adding the following sentence:

If you operate an SRU, you must provide us an executed copy of the Lease for the SRU Location prior to the commencement of operation of the SRU.

5. **Section 5.5.B(iv) (Relocation Conditions)** of the Franchise Agreement is amended by adding the following sentence:

If you are relocating an SRU, instead of paying the Relocation Fee, you must reimburse us, at the then-current daily training service fee, plus travel related expenses, for services performed by us in conjunction with the relocation.

6. **Section 6.5.C. (Opening Deadline)** of the Franchise Agreement is amended by adding the following:

You must have the SRU open and operating within 90 days after the execution of the Satellite Retail Unit Addendum (the “**SRU Addendum**”).

7. **Section 6 (Leasehold Improvements)** of the Franchise Agreement is amended by adding the following as Section 6.6:

SRU Acquisition. If you operate an SRU, you must purchase or lease the SRU and related equipment from our designated Supplier, which may be us or one of our affiliates. If you lease the SRU, you must execute a lease for the SRU in the form designated by the Supplier (the “**SRU Lease Agreement**”), pay any initial and ongoing required fees under the SRU Lease Agreement (with payments made in accordance with this Agreement), and provide us with an executed copy of the SRU Lease Agreement. You must obtain our written approval for the design of, and any initial or subsequent modifications to, the SRU.

8. **Section 7.2 (Approved Products)** of the Franchise Agreement is amended by adding the following:

Notwithstanding the foregoing, you acknowledge and agree that you must obtain our prior written approval of the limited menu offered at the SRU.

9. **Section 8.2 (Compliance with the System)** of the Franchise Agreement is amended by adding the following:

You agree to operate the SRU in strict compliance with the Standards, except that the SRU is permitted to sell a limited selection of Approved Products.

10. **Section 11.2 (On-Site Training)** of the Franchise Agreement is amended by adding the following:

We may, in our sole discretion, provide one day of installation and up to two days of On-Site Training in connection with your operation of an SRU. We may charge you a training fee of \$750 to offset the costs that we may incur in providing such services.

11. **Section 12.8 (Computer System)** of the Franchise Agreement is amended by adding the following:

Notwithstanding the foregoing, you acknowledge and agree to install a separate point of sale system approved by us in the SRU.

12. **Section 13.2 (Required Insurance)** of the Franchise Agreement is amended by adding the following:

If you operate an SRU, you will ensure that the SRU is listed as an insured location under the insurance policy for the Franchised Business.

13. **Section 17.2 (Our Termination: No Opportunity to Cure)** of the Franchise Agreement is amended by adding the following as Section 17.2.M.:

17.2.M. If (i) we issue to you a notice of default for failure to operate the SRU per the terms of the Agreement or the SRU Addendum and you fail to cure the default within the cure period provided or (ii) you default under the SRU Lease Agreement or the Lease with your landlord and fail to cure such default within any applicable cure period (if any).

14. **Section 17.5 (Other Remedies After Your Default)** of the Franchise Agreement is amended by adding the following Section 17.5.G:

G. Terminate the SRU Addendum.

15. **Section 17 (Default and Termination)** of the Franchise Agreement is amended by adding the following as Section 17.7:

Notwithstanding the foregoing, if you operate an SRU under this Agreement, you may terminate the SRU Addendum and cease operation of the SRU by providing 14 days' prior written notice to us. In addition, we may terminate the SRU Addendum and require you to cease operation of the SRU by providing 48 hours' prior written notice to you. If this Agreement is terminated for any reason, the SRU Addendum, and your right to operate an SRU, shall also be terminated. If the SRU Addendum is terminated, your right to offer Approved Products and use the Marks at the SRU Location will terminate.

16. **General Release.** In consideration of our agreement to enter into this SRU Addendum, you, for yourself (and if you are an entity, for purposes of this Section "you" and "your" includes you as an entity and your directors, officers, owners, shareholders, partners, members, managers, representatives, employees, agents, and attorneys) and for each and all of your affiliates and such affiliates' directors, officers, owners, shareholders, partners, members, representatives, employees, agents and attorneys, together with the predecessors, successors, heirs and assigns of each of the foregoing (individually, collectively and in any combination, the "**Releasing Parties**"), release and forever discharge us and our parents, subsidiaries, and affiliates and the respective directors, officers, owners, shareholders, partners, members, representatives, employees, agents, attorneys, contractors, predecessors, successors, heirs and assigns of each of the foregoing (in their corporate and individual capacities) of and from all manner of actions, causes of action, suits, debts, dues, sums of money, accounts, reckonings, bonds, bills, specialties, covenants, contracts, agreements, controversies, promises, variances, trespasses, damages, judgments, executions, claims and demands whatsoever, in law, admiralty or equity, that the Releasing Parties, ever had, now have, or that the Releasing Parties hereafter can or may have for, on or by reason of any matter, cause or thing whatsoever, arising prior to and including the SRU Addendum Date.



17. **Inconsistency.** In the event of any inconsistency between the terms of the Franchise Agreement and the terms of this SRU Addendum, the terms of this SRU Addendum will supersede and control. In all other respects, the terms of the Franchise Agreement are ratified and confirmed.

IN WITNESS WHEREOF, the parties have set their hands and seals.

**FRANCHISOR:**

**Auntie Anne's Franchisor SPV LLC**  
a Delaware limited liability company

By: \_\_\_\_\_  
Name: **Tim Goodman**  
Title: Senior Vice President  
Franchise Administration

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

**FRANCHISEE:**

«Z1\_First\_Name» «Z1\_Last\_Name»  
a «Z1\_State\_of\_Formation»  
«Z1\_Entity\_Type»

By: \_\_\_\_\_  
Name: «Signee\_1\_name»  
Title: «Signee\_1\_title»

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

By: \_\_\_\_\_  
Name: «Signee\_2\_name»  
Title: «Signee\_2\_title»

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

## SATELLITE RETAIL UNIT LEASE AGREEMENT

### «brand name» #«Store Number» in «location name»

This Satellite Retail Unit Lease Agreement (“**Agreement**”) dated this \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, is entered into by and between Auntie Anne’s Franchisor SPV LLC, a Delaware limited liability company (“**Lessor**”) and «Z1\_First\_Name» «Z1\_Last\_Name», a «Z1\_State\_of\_Formation» «Z1\_Entity\_Type», «Z2\_First\_Name» «Z2\_Last\_Name», a «Z2\_State\_of\_Formation» «Z2\_Entity\_Type» «Z3\_First\_Name» «Z3\_Last\_Name», a «Z3\_State\_of\_Formation» «Z3\_Entity\_Type» «Z4\_First\_Name» «Z4\_Last\_Name», a «Z4\_State\_of\_Formation» «Z4\_Entity\_Type» «Z5\_First\_Name» «Z5\_Last\_Name» (“**Lessee**”).

### WITNESSETH

Lessor, as franchisor (“**Franchisor**”), and Lessee, as franchisee, entered into a Franchise Agreement including an SRU Addendum (collectively, the “**Franchise Agreement**”) dated «**Date\_Signed**» **Month DD, YYYY** for an Auntie Anne’s shop (the “**Shop**”) to be located at «location\_name» (enter in-line Unit #), «store\_street\_address», «store\_city», «store\_state» «store\_zip» (“**Location**”).

Lessee desires to lease from Lessor a Satellite Retail Unit (a “**SRU**”) to be utilized in connection with the operation of the Shop at the Location pursuant to a lease agreement between Lessee and the landlord (“**Landlord**”) of the Location (the “**Lease Agreement**”).

Lessor has agreed to lease to Lessee the SRU under the following terms and conditions:

1. **Lease.** Lessor hereby agrees to lease to Lessee one SRU, **Serial No** [REDACTED], at the Location in a space designated as «**store\_street\_address**», «**store\_city**», «**store\_state**» «**store\_zip**». The rights granted herein to lease the SRU shall at all times be under and subject to the terms of the Franchise Agreement. In the event of a conflict between this Agreement and the Franchise Agreement, the terms of the Franchise Agreement shall govern.
2. **Commencement Date.** The commencement date of operations of the SRU and the rental commencement date (“**Commencement Date**”) shall be no later than ten days after receipt of the SRU from Lessor or Lessor’s designee.
3. **Term.** This Agreement shall be effective and binding from the date of execution and shall terminate upon the earlier of (i) the expiration or termination of the Lease Agreement; (ii) the expiration or termination of the Franchise Agreement and/or SRU Addendum; or (iii) the termination of this Agreement pursuant to Section 14 below.
4. **Lessee Obligations.** Lessee must provide Lessor with the following items:
  - a. **Lease Agreement.** A copy of the signed Lease Agreement or a letter of approval from the Landlord for the operation of the SRU for a minimum term of two (2) months shall be delivered the Lessor upon execution of this Agreement. Lessor does not guarantee that an SRU will be available for the same term as the Lease Agreement. Lessee understands that due to the limited number of SRUs, Lessor cannot guarantee that the SRU will be delivered upon the commencement date of the Lease Agreement. Lessor reserves the

right to terminate this Agreement and recover the SRU regardless of any remaining term(s) of the Lease Agreement.

b. Security Deposit. A non-interest bearing deposit of \$1,000 shall be paid by Lessee to Lessor upon execution of this Agreement (“**Security Deposit**”). The Security Deposit, less all sums remaining due under this Agreement, return shipping costs, and repair and replacement costs for lost or damaged items, will be returned to Lessee within 30 days after the SRU has been returned to Lessor and fully inspected by Lessor or Lessor’s designee and all necessary repairs have been completed. In the event the cost of necessary repairs exceeds the Security Deposit, Lessor reserves the right to charge Lessee for the difference between the actual cost of repairs and the Security Deposit and Lessee agrees to such charges.

c. Set-Up Fee. Upon execution of this Agreement, Lessee shall pay to Lessor a nonrefundable \$500 fee, the proceeds of which are, in part, used to pay or defray the expenses and costs incurred by Lessor to set-up the SRU.

d. Training Fee. Lessor, in its sole discretion, may assess a nonrefundable \$750 fee, the proceeds of which are used to pay or defray the expenses and costs incurred by Lessor to provide instruction to the Lessee in the proper operation of the SRU (“**Training Fee**”). Such Training Fee, if any, shall be paid by Lessee to Lessor upon execution of this Agreement.

e. Certificate of Insurance. A certificate of insurance evidencing that Lessee has added the SRU to Lessee’s existing Shop insurance policy in the form and in the amounts consistent with the coverage required under the Franchise Agreement, including vandalism and theft, shall be delivered to Lessor prior to the Commencement Date. Lessee shall name Lessor as an additional insured under each insurance policy. Lessee shall obtain and maintain any additional insurance required by the Landlord.

f. Prepayment of Two Months Rental Fee. The Maximum Monthly Rental Fee (as defined below) for the first two months of the SRU operation must be prepaid by Lessee to Lessor (“**Prepayment**”) upon the execution of this Agreement. For the third month of the SRU operation and thereafter, Lessee shall pay the monthly Rental Fee within ten days after the date of Lessor’s invoice.

5. Acceptance of SRU. Upon receipt of the SRU and the SRU Equipment Packing List (“**Packing List**”), Lessee is responsible for reconciling items listed on the Packing List with items included in the SRU shipment. Lessee shall, within two days of receiving the SRU shipment and Packing List, forward to Lessor the completed, reconciled and signed Packing List noting any shipping damages, missing items, defacements, and other irregularities. Lessor upon receipt of the returned Packing List shall replace such missing or damaged items due to shipping irregularities; thereafter, Lessee shall have responsibility for the replacement of missing items and/or the repair of damaged items not reported on the Packing List.

## 6. Operation of SRU.

a. The SRU must at all times be operated and maintained according to the standards prescribed by Franchisor in the Franchise Agreement and the Manuals (as defined in the Franchise Agreement) and other written procedures and standards provided to the Lessee from time to time by Lessor and Franchisor. Lessee shall be responsible for cleaning and

maintaining the SRU. At all times, Lessee shall keep the SRU in good working order and repair. The expense of all ordinary maintenance and repair of the SRU due to normal wear and tear shall be borne by Lessor. The expense of extraordinary maintenance and repair of the SRU due to a relocation of the SRU, damage to the Location or to the SRU, or to any other cause beyond the control of Lessor shall be borne by Lessee.

b. Lessor is not obligated to maintain, repair, service, replace, operate or assure the operation of any device, system or property belonging to any third party that is associated with the SRU. Lessor is not responsible for any costs associated with the installation, set-up and maintenance of the SRU, including, without limitation, any necessary electrical or plumbing hook-ups.

c. Lessee, at Lessee's expense, shall be responsible for securing and maintaining all permits/licenses necessary for the operation of the SRU.

d. Lessee shall sell only those products from the SRU that are approved by the Franchisor from time to time.

e. Lessee acknowledges that this Agreement does not modify or eliminate Lessee's obligation to pay to Franchisor any royalty fees, advertising contributions, and any other fees required under the Franchise Agreement, including royalty fees and advertising contributions payable to Franchisor related to the operation of the SRU.

7. **Modification of the SRU/Early Termination.** Changes and modifications to the SRU, including building a new SRU if necessary ("**Modifications**"), which are not required by Lessor must be approved in advance by Lessor. The costs to make Modifications and to restore the SRU to its pre-modified condition, if applicable, are the responsibility of the Lessee. Any such changes shall become part of the SRU and the Lessee shall not be entitled to remove them or obtain compensation for them. Lessor shall own the intellectual property rights to any such Modifications, including any related designs. If this Agreement is terminated prior to the fourth anniversary of the Commencement Date, Lessee agrees to reimburse Lessor for the cost to restore the SRU to its pre-modified condition (the current cost estimate for modification, restoration and/or build out is \$\_\_\_\_\_ ("**Cost Estimate**")) as liquidated damages, and not as a penalty, based on the following schedule:

| <b>If the termination occurs:</b>                                    | <b>The amount owed is:</b>             |
|--|--|
| Prior to the Commencement Date or during the first year of operation | 100% of the Cost Estimate shown above. |
| During the 2 <sup>nd</sup> year of operation                         | 75% of the Cost Estimate shown above.  |
| During the 3 <sup>rd</sup> year of operation                         | 50% of the Cost Estimate shown above.  |
| During the 4 <sup>th</sup> year of operation                         | 25% of the Cost Estimate shown above.  |
| After the 4 <sup>th</sup> year of operation                          | \$0                                    |

Such liquidated damages shall be due and payable within ten days of invoice.

8. **Relocation of SRU.** In the event that a more suitable location for the SRU is made available to Lessee, after receiving written approval from Lessor, Franchisor and the Landlord, Lessee may, at its own expense, relocate the SRU within the time specified by the Landlord and approved by Lessor and Franchisor.

9. **Reports.** Lessee shall submit a weekly report in a format specified by Lessor for the Net Sales (as defined in the Franchise Agreement) derived from the SRU.

10. **Monthly Rental Fee.** Upon invoice by Lessor, Lessee shall pay Lessor a monthly rental fee (“**Rental Fee**”) for the SRU equal to the lesser of (i) \_\_\_% of the Net Sales derived from the SRU or (ii) the Maximum Monthly Rental Fee. The “**Maximum Monthly Rental Fee**” shall be \$\_\_\_\_\_, plus tax, if applicable. Lessor shall have the right to increase the Rental Fee and/or the Maximum Monthly Rental Fee upon 30 days’ written notice to Lessee, provided there is an economic reason to do so. For purposes of this paragraph an economic reason includes, but is not limited to, a change in the equipment package or an upgrade to the cash register used in the SRU. In the event Lessee begins or ends operations from the SRU on any day other than the first day of the month, the Rental Fee will be pro-rated by dividing the Maximum Monthly Rental Fee by the number of days in the month multiplied by the number of days the SRU is in operation for that portion of the month. All payments shall be made via the payment methods specified in the Franchise Agreement, as designated by Lessor from time to time.

11. **Late Payments.** With the exception of the Prepayment and Security Deposit, all other fees payable by Lessee under this Agreement are due within ten days after the date of Lessor’s invoice. All fees not paid when due shall bear interest at the lower of 1.5% per month or the highest rate permitted by law, from the due date thereof. Lessee agrees to pay all costs and expenses, including legal fees, incurred by Lessor in recovering such fees, or in recovering possession of the SRU upon termination of this Agreement.

12. **Service Fee.** Should Lessee request additional assistance from Lessor related to training and/or the operation of the SRU and should Lessor, in its sole discretion, deem it necessary, feasible, and appropriate to comply with the request, Lessee shall reimburse Lessor at Lessor’s then-current daily training service fee, plus Lessor’s travel-related expenses.

13. **Shipment Cost.** Lessee shall be responsible for all costs incurred by Lessor to package and ship the SRU and related equipment to Lessee, including any and all costs incurred to ship any related equipment separately. Lessee will be invoiced separately for the costs incurred by Lessor to ship related equipment separately.

14. **Termination and Post-Termination Obligations.**

a. Notwithstanding anything to the contrary contained in this Agreement, Lessor may terminate this Agreement upon 48 hours’ written notification to Lessee for any reason. Lessee’s right to operate an SRU is contingent upon Lessee remaining in compliance with the terms of the Franchise Agreement and Manuals. Notwithstanding anything to the contrary contained herein, Lessor may terminate this Agreement and recover the SRU immediately and without advance notice, if Lessee defaults under the Franchise Agreement or any other agreement between Lessee and Franchisor or its affiliates and such default is non-curable or, if such default is curable, Lessee fails to cure such default within the applicable cure period.

b. Lessee may terminate this Agreement upon two weeks’ advance written notice to Lessor.

c. If this Agreement is terminated prior to the first anniversary of the Commencement Date, Lessee must pay Lessor the Maximum Monthly Rental Fee for each month (or

portion of a month) between the date of termination and the first anniversary of the Commencement Date.

d. In the event of termination, the SRU must be returned to Lessor or Lessor's designee in a manner designated by Lessor. Lessee shall be liable for all costs incurred in shipping the SRU to its prescribed destination. Lessee shall be required to pay Lessor's direct expenses in disassembling and removing the SRU from the Location. Such expenses shall be at Lessor's then-current daily training service fee.

e. Lessee hereby authorizes Lessor to remove the SRU in whole or in part and any materials associated therewith upon termination of this Agreement and it is further agreed that such removal shall not constitute a waiver of the rights of Lessor to collect any charges which have accrued or may accrue hereunder.

15. **Indemnification.** Lessee shall defend, at its own cost, and indemnify and hold harmless Lessor, its directors, officers, employees and agents, from and against any and all loss, claims, costs, expenses (including attorneys' fees), damages and liabilities, however caused resulting directly or indirectly from or pertaining to the use, condition, or construction, equipping, decorating, maintenance or operation of the SRU, including the sale of any food products, service or merchandise sold from the SRU, and from Lessee's default under this Agreement, the Franchise Agreement or any other agreement with Lessor.

16. **Ownership of SRU.** Lessee acknowledges that the SRU is owned or leased by Lessor and Lessee agrees not to make any claims to ownership of the SRU. Lessor, in its sole discretion, may allow Lessee to purchase the SRU at its then-current value, as determined by Lessor in its sole discretion. If Lessee purchases the SRU, then Lessee will be required to sign Franchisor's then-current form of franchise agreement and pay the then-current initial franchise fee.

17. **Assignment.** Lessor may assign, at its sole discretion and without Lessee's consent, its rights and obligations under this Agreement. Lessee may not assign its rights and obligations under this Agreement except upon the prior written consent of Lessor.

18. **Notices.** All notices required or permitted under this Agreement must be in writing, and must be personally delivered or mailed by registered or certified mail, return receipt requested, or by a nationally recognized overnight delivery service, to Lessee at «C1\_contact\_street», «C1\_contact\_city», «C1\_contact\_state», «C1\_contact\_zip» and to Lessor at Auntie Anne's Franchisor SPV LLC, 5620 Glenridge Drive, NE, Atlanta, Georgia 30342, Attention: Legal Department, with a copy to Auntie Anne's Franchisor SPV LLC, 5620 Glenridge Drive NE, Atlanta, GA 30342, Attention: Legal Department. The addresses for notices may be changed at any time by either party by written notice given to the other party as provided in this Section. Notices will be deemed received the same day when delivered personally, upon attempted delivery when sent by registered or certified mail or overnight delivery service, or the next business day when sent by facsimile.

19. **Arbitration.** Except for disputes related to (i) the ownership or validity of any of Lessor's intellectual property, including SRU designs and Modifications; (ii) disputes that involve enforcement of Lessor's intellectual property rights or protection of Lessor's confidential information or trade secrets; or (iii) disputes related to the payment of sums Lessee owes to Lessor or its affiliates (collectively, "**Excepted Disputes**"), all disputes between Lessee, its affiliates, and Lessee's and/or its affiliates' owners, officers, directors and employees, on the one hand, and Lessor, its affiliates, and/or Lessor's or its affiliates' owners, officers, directors and

employees, on the other hand, relating to this Agreement, Lessor's relationship with Lessee, or the SRU, will be resolved by binding arbitration in accordance with the procedures described in Section 19.1 of the Franchise Agreement. Excepted Disputes will not be resolved through arbitration unless Lessor consents to arbitration. Excepted Disputes will be filed exclusively in any court of general jurisdiction in Fulton County, Georgia, in the United States District Court of the Northern District of Georgia, or such other court where Lessor has its principal place of business at the time of filing, and Lessee irrevocably consents to such court's jurisdiction over it.

20. **Controlling Law.** This Agreement takes effect upon its acceptance and execution by Lessor, and shall be interpreted and construed under the laws of the State of Georgia, which laws shall prevail in the event of any conflict of law.

*[SIGNATURE PAGE FOLLOWS]*

**In Witness Whereof** each of the undersigned, intending to be legally bound hereby has duly executed, sealed and delivered this Agreement the day and year first above written.

**LESSOR:**

**Auntie Anne's Franchisor SPV LLC**  
a Delaware limited liability company

By: \_\_\_\_\_  
Name: **Tim Goodman**  
Title: Senior Vice President  
Franchise Administration

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

**LESSEE:**

«Z1\_First\_Name» «Z1\_Last\_Name»  
a «Z1\_State\_of\_Formation»  
«Z1\_Entity\_Type»

By: \_\_\_\_\_  
Name: «Signee\_1\_name»  
Title: «Signee\_1\_title»

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

By: \_\_\_\_\_  
Name: «Signee\_2\_name»  
Title: «Signee\_2\_title»

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



**AUNTIE ANNE'S PRETZEL BIKE UNIT ADDENDUM**

This Addendum (the “**PBU Addendum**”) is signed as of \_\_\_\_\_ (the “**PBU Addendum Date**”) between Auntie Anne's Franchisor SPV LLC, a Delaware limited liability company (“**we**” or “**us**”) and «**Z1\_First\_Name**» «**Z1\_Last\_Name**», a «**Z1\_State\_of\_Formation**» «**Z1\_Entity\_Type**», «**Z2\_First\_Name**» «**Z2\_Last\_Name**», a «**Z2\_State\_of\_Formation**» «**Z2\_Entity\_Type**» «**Z3\_First\_Name**» «**Z3\_Last\_Name**», a «**Z3\_State\_of\_Formation**» «**Z3\_Entity\_Type**» «**Z4\_First\_Name**» «**Z4\_Last\_Name**», a «**Z4\_State\_of\_Formation**» «**Z4\_Entity\_Type**» «**Z5\_First\_Name**» «**Z5\_Last\_Name**» (“**you**”).

**BACKGROUND:**

A. We and you entered into a franchise agreement dated “[insert FA Eff date]” (the “**Franchise Agreement**”), whereby we granted and you accepted a license to operate an Auntie Anne's® shop No. “[insert store number]” located at “[insert store address]” .

B. We and you desire to amend the Franchise Agreement on the terms outlined below to allow you to operate a Pretzel Bike unit (a “**PBU**”).

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

1. **Section 1.1 (Grant of Franchise)** of the Franchise Agreement is deleted and replaced with the following:

1.1 Grant of Franchise. Subject to the terms of this Agreement, we grant to you, and you accept, a non-exclusive license to operate one Business using the Marks and the System (collectively, your “**Franchised Business**”). The Franchised Business will be operated only at the location specified in Schedule A (the “**Accepted Location**”) or, if we have not yet accepted a site for the Franchised Business as of the date of this Agreement, at a location that we have accepted in accordance with this Agreement within the geographic area specified in Schedule A (the “**Site Selection Area**”). We have authorized you to operate a pretzel bike unit (a “**PBU**”) and you may engage in certain, but not all, of the activities contemplated by this Agreement within an one-mile radius of the Accepted Location (the “**PBU Zone**”). The PBU will also be considered part of the definition of Franchised Business.

2. **Section 3.2.C. (Net Sales)** of the Franchise Agreement is amended by adding the following:

For the avoidance of doubt, “Net Sales” includes all revenues generated from a PBU.

3. **Section 5.1 (Accepted Location)** of the Franchise Agreement is amended by adding the following:

We approve you to sell a limited selection of Approved Products in a PBU within the PBU Zone.

4. **Section 6.5.C. (Opening Deadline)** of the Franchise Agreement is amended by adding the following:

You must have the PBU open and operating within 90 days after the execution of the Pretzel Bike Unit Addendum (the “**PBU Addendum**”).

5. **Section 7.2 (Approved Products)** of the Franchise Agreement is amended by adding the following:

Notwithstanding the foregoing, you acknowledge and agree that you must obtain our prior written approval of the limited menu offered at the PBU.

6. **Section 8.2 (Compliance with the System)** of the Franchise Agreement is amended by adding the following:

You agree to operate the PBU in strict compliance with the Standards, except that the PBU is permitted to sell a limited selection of Approved Products.

7. **Section 12.7 (Computer System)** of the Franchise Agreement is amended by adding the following:

Notwithstanding the foregoing, you acknowledge and agree to use a separate point of sale system approved by us in the PBU.

8. **Section 13.2 (Required Insurance)** of the Franchise Agreement is amended by adding the following:

If you operate a PBU, you will ensure that the operation of the PBU is fully covered under the insurance policy for the Franchised Business.

9. **Section 17.2 (Our Termination: No Opportunity to Cure)** of the Franchise Agreement is amended by adding the following as Section 17.2.M.:

17.2.M. If we issue to you a notice of default for failure to operate the PBU per the terms of the Agreement or the PBU Addendum and you fail to cure the default within the cure period provided.

10. **Section 17.5 (Other Remedies After Your Default)** of the Franchise Agreement is amended by adding the following Section 17.5.G:

G. Terminate the PBU Addendum.

11. **Section 17 (Default and Termination)** of the Franchise Agreement is amended by adding the following as Section 17.7:

Notwithstanding the foregoing, if you operate a PBU under this Franchise Agreement, you may terminate the PBU Addendum and cease operation of the PBU by providing 14 days’ prior written notice to us. In addition, we may terminate the PBU Addendum and require you to cease operation of the PBU by providing 48 hours’ prior written notice to you. If this Franchise Agreement is terminated for any reason, the PBU Addendum, and your right to

operate a PBU, shall also be terminated. If the PBU Addendum is terminated, your right to offer Approved Products and use the Marks at the PBU Location will terminate.

12. **General Release.** In consideration of our agreement to enter into this PBU Addendum, you, for yourself (and if you are an entity, for purposes of this Section “you” and “your” includes you as an entity and your directors, officers, owners, shareholders, partners, managers, members, representatives, employees, agents, and attorneys) and for each and all of your affiliates and such affiliates’ directors, officers, owners, shareholders, partners, managers, members, representatives, employees, agents and attorneys, together with the predecessors, successors, heirs and assigns of each of the foregoing (individually, collectively and in any combination, the “**Releasing Parties**”), release and forever discharge us and our parents, subsidiaries, and affiliates and the respective directors, officers, owners, shareholders, partners, managers, members, representatives, employees, agents, attorneys, contractors, predecessors, successors, heirs and assigns of each of the foregoing (in their corporate and individual capacities) of and from all manner of actions, causes of action, suits, debts, dues, sums of money, accounts, reckonings, bonds, bills, specialties, covenants, contracts, agreements, controversies, promises, variances, trespasses, damages, judgments, executions, claims and demands whatsoever, in law, admiralty or equity, that the Releasing Parties, ever had, now have, or that the Releasing Parties hereafter can or may have for, on or by reason of any matter, cause or thing whatsoever, arising prior to and including the PBU Addendum Date.

13. **Inconsistency.** In the event of any inconsistency between the terms of the Franchise Agreement and the terms of this PBU Addendum, the terms of this PBU Addendum will supersede and control. In all other respects, the terms of the Franchise Agreement are ratified and confirmed.

IN WITNESS WHEREOF, the parties have set their hands and seals.

**FRANCHISOR:**

**Auntie Anne’s Franchisor SPV LLC**  
a Delaware limited liability company

By: \_\_\_\_\_  
Name: **Tim Goodman**  
Title: Senior Vice President  
Franchise Administration

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

**FRANCHISEE:**

«Z1\_First\_Name» «Z1\_Last\_Name»  
a «Z1\_State\_of\_Formation»  
«Z1\_Entity\_Type»

By: \_\_\_\_\_  
Name: «Signee\_1\_name»  
Title: «Signee\_1\_title»

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

By: \_\_\_\_\_  
Name: «Signee\_2\_name»  
Title: «Signee\_2\_title»

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

**GENERAL RELEASE – ASSIGNMENT/RENEWAL**

To all to whom these Presents shall come or may Concern, Know «Seller1\_Name»«Seller2\_Name»«Seller3\_Name», an individual(s) domiciled in the State of «Store\_State» as RELEASOR, in consideration of the consent of AUNTIE ANNE’S FRANCHISOR SPV LLC to the Assignment or Renewal of the Auntie Anne’s Franchise Agreement between RELEASOR and AUNTIE ANNE’S FRANCHISOR SPV LLC (the "Franchise Agreement") to «Combined\_All\_Franchise\_Names», and other good and valuable consideration, hereby releases and discharges AUNTIE ANNE’S FRANCHISOR SPV LLC and its affiliates and its and their respective parents, subsidiaries, officers, directors, shareholders, members, managers, agents, agents, attorneys, representatives, contractors and employees, and the respective successors, assign, executors, administrators and heirs of the foregoing (collectively, the “RELEASEE PARTIES”) from all actions, causes of action, suits, debts, dues, sums of money, accounts, reckonings, bonds, bills, specialties, covenants, contracts, controversies, agreements, promises, variances, trespasses, damages, judgments, executions, claims and demands whatsoever, in law, admiralty or equity, whether known or unknown, which against the RELEASEE PARTIES or any of them, the RELEASOR and/or its affiliates and its and/or their successors and assigns ever had, now have or hereafter can, shall or may have, on or by reason of any matter, cause or thing whatsoever from the beginning of the world to the day of the date of this RELEASE, including, without limitation, claims arising under federal, state and local laws, rules and ordinances. This General Release is not intended as a waiver of those rights of the undersigned which cannot be waived under applicable state franchise laws nor is it intended to relieve AUNTIE ANNE’S FRANCHISOR SPV LLC or any of the RELEASEE PARTIES, directly or indirectly, from liability imposed by the Maryland Franchise Registration and Disclosure Law. This General Release shall survive the assignment or renewal of the Auntie Anne’s Franchise Agreement or any other documents entered into by and between AUNTIE ANNE’S FRANCHISOR SPV LLC and any of the undersigned in connection with the franchise relationship.

Whenever the text hereof requires, the use of singular number shall include the appropriate plural number as the text of the within instrument may require.

This RELEASE may not be changed orally.

IN WITNESS WHEREOF, the RELEASOR (if an individual) *has executed this RELEASE*, and (if a corporation) *has caused this RELEASE to be executed by a duly authorized officer and its corporate seal to be hereunto affixed on* , .

RELEASOR

[SEAL]

By \_\_\_\_\_  
«Seller1\_Name»

ACKNOWLEDGMENT FOR INDIVIDUAL RELEASOR

STATE OF \_\_\_\_\_

ss.:

COUNTY OF \_\_\_\_\_

On , before me \_\_\_\_\_,  
personally came «Seller1\_Name»«Seller2\_Name»«Seller3\_Name», to me known, who, by me  
duly sworn, did depose and say that deponent(s) reside(s) at  
«Seller1\_Address»«Seller2\_Address»«Seller3\_Address» , and known to me to be the same  
person whose name(s) is signed to the foregoing RELEASE, and acknowledged the execution  
thereof for the uses and purposes therein set forth.

IN WITNESS WHEREOF I have hereunto set my hand and official seal.

Notary Public

\_\_\_\_\_

My Commission expires: \_\_\_\_\_

(NOTARIAL SEAL)

By: \_\_\_\_\_ L.S.  
Name: «Signee\_3\_name»  
Title: «Signee\_3\_title»

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

By: \_\_\_\_\_ L.S.  
Name: «Signee\_4\_name»  
Title: «Signee\_4\_title»

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

By: \_\_\_\_\_ L.S.  
Name: «Signee\_5\_name»  
Title: «Signee\_5\_title»

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

## POS SYSTEM SUPPORT SERVICES AGREEMENT

THIS SERVICE LEVEL AGREEMENT (this “**Agreement**”) is made and entered into as of \_\_\_\_\_ (“**Effective Date**”) by and between «**Z1\_First\_Name**» «**Z1\_Last\_Name**», a «**Z1\_State\_of\_Formation**» «**Z1\_Entity\_Type**», «**Z2\_First\_Name**» «**Z2\_Last\_Name**», a «**Z2\_State\_of\_Formation**» «**Z2\_Entity\_Type**»«**Z3\_First\_Name**» «**Z3\_Last\_Name**», a «**Z3\_State\_of\_Formation**» «**Z3\_Entity\_Type**»«**Z4\_First\_Name**» «**Z4\_Last\_Name**», a «**Z4\_State\_of\_Formation**» «**Z4\_Entity\_Type**»«**Z5\_First\_Name**» «**Z5\_Last\_Name**» (“**Franchisee**”) and Auntie Anne’s LLC (“**Company**”).

### BACKGROUND:

A. Auntie Anne’s Franchisor SPV LLC (“**Franchisor**”) and Franchisee are parties to that certain Franchise Agreement dated as of the Effective Date for the operation of the Franchised Business (“**Franchise Agreement**”).

B. Franchisee is required to have a point of sale system (“**POS System**”) for the Franchised Business that satisfies Franchisor’s Minimum Specifications.

C. Franchisee is required to obtain support for the POS System from an approved supplier, which may include Franchisor or its affiliates.

D. Franchisee desires to obtain from Company, an affiliate of Franchisor, certain support for the POS System as detailed in this Agreement and Company agrees to provide such support under the terms and conditions set forth in this Agreement.

NOW, THEREFORE, the parties agree as follows:

1. Definitions. Capitalized terms not otherwise defined in this Agreement shall have the meaning ascribed to such term in the Franchise Agreement or below:
  - a. “**Designated Personnel**” means the person(s) who request and receive Support Services under this Agreement. As a prerequisite for Company to provide the Support Services, such person(s) should be trained and competent in the general operation of the POS System and may include, for example, a cashier, shift lead, general manager, area manager, director or internal information technology (“**IT**”) staff. Company shall not be responsible for determining whether Franchisee has authorized Designated Personnel to request Support Services.
  - b. “**Service Start Date**” shall mean the date that Company begins providing the Services, which is estimated to be approximately twelve (12) weeks prior to the anticipated Opening Date of the Franchised Business, as determined and approved by Company.
  - c. “**Minimum Specifications**” shall have the meaning set forth in the Manuals, which Franchisor, in its sole discretion, may update from time to time.

- d. “**Support Services Team**” means the person(s) authorized by Company to provide Support Services under this Agreement. Such persons may be contractors or employees of Company or its affiliates.
2. Support Services. Franchisee hereby engages Company to provide help desk services for the POS System and other related support services in accordance with and as more fully described below and in **Schedule A** (collectively, the “**Support Services**”). The Support Services may only be used for the POS System at the Franchised Business. Franchisee agrees to follow the procedures and processes for requesting and receiving Support Services, as set forth in this Agreement, including **Schedule A**. In the event of any conflict between the terms and conditions of this Agreement and the terms and conditions of **Schedule A**, the terms and conditions of this Agreement shall control. The Support Services will be provided during the hours and days specified in **Schedule A**.
  - a. Comprehensive Support. Franchisee shall receive Comprehensive Support (as more fully described in **Schedule A**), which shall be subject to the Comprehensive Support Fee (as defined in **Schedule A**).
  - b. Billable Support. Franchisee may request, and Company may, in its sole discretion, provide Billable Support (as more fully described in **Schedule A**), which shall be subject to the Billable Support Fee.
3. POS System. As a prerequisite for Company to provide the Support Services, the POS System must be in good operating condition and meet the Minimum Specifications (including, without limitation, the standard hardware and software requirements set forth therein). The Support Services do not include support for hardware and software that is not part of the Minimum Specifications. Company will provide Support Services in connection with specific versions of the software identified in the Minimum Specifications, and will not provide Support Services in connection with software that is no longer supported by the software licensor. Franchisee is responsible for implementing temporary procedures or workarounds as necessary to ensure continuous operation of the Franchised Business while Company is providing Support Services. Franchisee is responsible for backing up its files, data and programs and for reconstructing corrupted, lost or altered Franchisee files, data and programs. Company reserves the right, at any time and from time to time during the Term, to make the final judgment, in its sole discretion, as to whether the POS System and Franchisee adequately meet the Minimum Specifications and other prerequisites for Support Services required under this Agreement.
4. Service Fees. Franchisee shall pay Company the Comprehensive Support Fee and/or Billable Support Fee (collectively, the “**Service Fees**”), as applicable, for the Support Services provided by Company. Service Fees are exclusive of, and Franchisee will pay, any applicable sales, use, service, value added or like taxes. In the event of a Franchisee Default (as defined below), Company reserves the right, but not the obligation, to suspend part or all of the Support Services until such Franchisee Default is cured; provided however, that Franchisee shall continue to pay Service Fees, during the Term of the Agreement notwithstanding any suspension of Support Services due to a Franchisee Default.
5. Amendments to **Schedule A**. Company reserves the right, but not the obligation, from time to time, to review the Support Services and Service Fees provided under this Agreement and, in its sole discretion, to amend **Schedule A** to reflect a change in Support Services or Service

Fees. Company shall provide Franchisee with notice of any amendment to **Schedule A** via e-mail or update to the Manuals at least ninety (90) days prior to such amendment taking effect.

6. Payment.

- a. Electronic Funds Transfer; Payment Date. Payments of Comprehensive Support Fees will be drafted by Franchisor on behalf of Company from Franchisee's Designated Bank Account under Franchisor's electronic funds transfer or draft system ("**EFT**") one time per month on the same day that royalties and other fees due under the Franchise Agreement are first drafted for each month (the "**Payment Date**"). Payments shall commence on the Payment Date of the first (1<sup>st</sup>) full month following the Opening Date. Time is of the essence in the performance of all payment obligations by Franchisee. Company may change credit or payment terms at any time when, in Company's opinion, Franchisee's financial condition, previous payment record, or the nature of Franchisee's relationship with Company so warrants.
- b. Temporary Closure. In the event that the Franchised Business is temporarily closed (as determined and approved by Company), payments of Comprehensive Support Fees for the closed Franchised Business shall be suspended by Company commencing on the Payment Date of the first (1<sup>st</sup>) full month following the date such closure begins (as determined and approved by Franchisor) and payment of Monthly Fees shall be reinstated commencing on the Payment Date of the first (1<sup>st</sup>) full month following the date such closure ends (as determined and approved by Franchisor); provided however, that Company reserves the right to reinstate payments of Monthly Fees during the time of such closure if Franchisee requests and Company provides Support Services during the time of such closure. Franchisee shall be responsible for notifying and receiving Franchisor's approval of any temporary closure.
- c. Designated Bank Account. As used herein, the term "**Designated Bank Account**" means the bank account on file with Franchisor for EFT payments required under the Franchise Agreement or Manuals. Franchisee is responsible for maintaining sufficient funds in the Designated Bank Account for all Comprehensive Support Fees due under this Agreement, in addition to any amounts drafted by EFT under the Franchise Agreement and the Manuals. In the event there are insufficient funds in the Designated Bank Account to cover the draft of a payment due hereunder, Company reserves the right to charge Franchisee the return costs charged by Franchisor's bank and an administrative fee to cover Franchisor's and/or Company's cost of addressing the nonpayment. Such administrative fee is in addition to any interest on the amount due.
- d. Payment of Billable Support Fees; Interest on Past Due Amounts. Billable Support Fees shall be paid by Franchisee within thirty (30) days of being invoiced by Company. Franchisee must pay Company interest on any amounts past due at the rate of 1.5% per month or portion of month, but not more than the maximum interest rate permitted by applicable law.

7. Franchisee Default. Each of the following shall constitute a default under this Agreement, if not cured within ten (10) days following Franchisee's receipt of a written notice of such default (each a "**Franchisee Default**"): (i) Franchisee fails to pay, when due, any Service Fees; (ii) Franchisee fails to perform its obligations under this Agreement or defaults under any other agreement with Company, Franchisor, and/or each of their respective affiliates, or (ii)



Franchisee fails to satisfy and maintain the Minimum Specifications and other pre-requisites for Support Services under this Agreement.

8. Remote-Access Support. Company will provide the Support Services by a support technician over the telephone and remote access to the POS System through Company's or its affiliate's virtual private network or land line phones. Company may install, remove and run diagnostic programs and support tools on the POS System.
9. Exclusions. Support Services provided to Franchisee under this Agreement do not include program development, coding, isolation of coding problems, implementation assistance, data recovery (regardless of the cause of data loss or hardware malfunctions), or any of the exclusions set forth on Schedule A.
10. Telecommunication Charges. Franchisee is responsible for all telecommunication charges associated with obtaining the Support Services and obtaining and maintaining contact with Company in order to receive Support Services.
11. LIMITATION OF LIABILITY AND REMEDIES.

- a. COMPANY MAKES NO REPRESENTATIONS OR WARRANTIES OF ANY KIND OR NATURE AND, EXCEPT AS OTHERWISE PROVIDED IN THIS AGREEMENT, HEREBY DISCLAIMS ANY REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION, (I) ANY WARRANTY OF NON-INFRINGEMENT, MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE WITH RESPECT TO THE SUPPORT SERVICES; (II) THAT THE SUPPORT SERVICES WILL BE UNINTERRUPTED, AND/OR BE FREE FROM ERRORS, INACCURACIES, OR DELAYS; AND (III) THAT COMPANY WILL BE RESPONSIBLE FOR THE ACTS OR OMISSIONS OF ANY SUBCONTRACTORS OR THIRD PARTIES. USE OF THE SUPPORT SERVICES IS AT FRANCHISEE'S OWN RISK.
- b. TO THE EXTENT COMPANY IS HELD LEGALLY LIABLE TO FRANCHISEE, COMPANY'S LIABILITY IS LIMITED TO ACTUAL LOSSES OR DIRECT DAMAGES FOR ANY CLAIM BASED ON A MATERIAL BREACH OF SUPPORT SERVICES, UP TO A MAXIMUM OF SIX (6) MONTHS OF THE SERVICE FEES PAID BY FRANCHISEE FOR THE APPLICABLE SUPPORT SERVICES DURING THE PERIOD OF MATERIAL BREACH.
- c. NOTWITHSTANDING ANYTHING HEREIN TO THE CONTRARY, IN NO EVENT WILL COMPANY OR ITS AFFILIATES BE LIABLE FOR (I) ACTUAL LOSSES OR DIRECT DAMAGES IN EXCESS OF THE AMOUNTS SET FORTH IN **SECTION 11.b**. ABOVE; (II) DAMAGES RELATED TO LOST REVENUE, SALES OR PROFIT; (III) DAMAGES FOR LOSS OF DATA OR SOFTWARE RESTORATION; (IV) DAMAGES RELATING TO FRANCHISEE'S PROCUREMENT OF SUBSTITUTE SUPPORT SERVICES (I.E., "COST OF COVER"); OR (V) INCIDENTAL, SPECIAL, CONSEQUENTIAL, INDIRECT, PUNITIVE OR CONTINGENT DAMAGES (INCLUDING DOWNTIME COSTS OR LOST PROFITS); IN EACH EVENT EVEN IF COMPANY OR ITS AFFILIATES HAVE BEEN ADVISED OF THE POSSIBILITY OF SUCH POTENTIAL LOSS OR DAMAGE.

- d. THE REMEDIES IN THIS AGREEMENT ARE FRANCHISEE'S SOLE AND EXCLUSIVE REMEDIES RELATED TO THE SUPPORT SERVICES AND THIS AGREEMENT.
- e. THE PROVISIONS OF THIS SECTION 11 SHALL SURVIVE EXPIRATION OR TERMINATION OF THIS AGREEMENT.

12. Term and Termination.

- a. The initial term of this Agreement shall commence on the Effective Date and end on the last day of the same calendar year as the Effective Date (the "**Initial Term**"). Thereafter, this Agreement shall renew automatically for successive one-year terms, commencing on January 1 of each calendar year (each, a "**Renewal Term**"), unless earlier terminated as provided in this Agreement.
- b. This Agreement shall terminate immediately with respect to the Franchised Business upon the effective date of the termination or expiration of the Franchise Agreement for the Franchised Business.
- c. Company may terminate this Agreement for any reason or for no reason by giving written notice of such termination to Franchisee at least sixty (60) day prior to the effective date of such termination.
- d. In the event this Agreement is terminated for any reason or expires, Franchisee shall pay Company for all of the Support Services performed prior to the effective date of the termination or expiration to the extent not already paid.
- e. In the event Company ceases to offer or provide Support Services to franchisees in the System, on or before the Service Start Date, this Agreement shall automatically terminate.

13. Subcontractors. Notwithstanding anything to the contrary, Company reserves the right and Franchisee consents to Company's use of subcontractors, including Company's affiliates, to assist in the provision of Support Services as Company deems appropriate, without notice to Franchisee.

14. Privacy and Electronic Payment Laws. Franchisee acknowledges that this Agreement shall not reduce or diminish Franchisee's obligations and responsibilities for compliance with (i) privacy laws, standards, rules, regulations, or any equivalent thereof relating to personal information, data privacy, and data protection (ii) the Payment Card Industry Data Security Standards enacted by the applicable card associations (as they may be modified from time to time or as successor standards are adopted); (iii) the Fair and Accurate Credit Transactions Act, and (iv) all other standards, laws, rules, regulations or any equivalent thereof applicable to electronic payments that may be published from time to time by payment card companies and applicable to electronic payments.

15. Notices. Except as otherwise provided herein, all notices, statements, requests and demands given to or made upon any party hereto in accordance with the provisions of this Agreement will be given in the manner specified in the Franchise Agreement.

16. Miscellaneous.

- a. Schedules. All appendices and schedules attached to this Agreement are hereby incorporated herein by this reference.
- b. Transfer or Assignment. Except as expressly provided herein, this Agreement may not be assigned by Franchisee without Company's prior written consent including assignment by operation of law and change of control. Any attempted assignment of this Agreement in violation of the preceding sentence will be null and void ab initio. In the event Franchisee sells or transfers the Franchised Business, this Agreement shall terminate and the transferee shall be required to execute Company's then-current form of Service Level Agreement. In the event of an assignment of the Franchise Agreement which has been approved by Franchisor, this Agreement shall be deemed to be assigned to the assignee of the Franchise Agreement and such assignee shall be deemed to have assumed all rights and obligations of Franchisee under this Agreement. Company may assign this Agreement to any person or entity without Franchisee consent. This Agreement will be binding on and inure to the benefit of the parties and their respective successors and permitted assigns.
- c. Company's Independent Obligations. Company's obligations and duties under this Agreement are independent of Franchisor's obligations and duties under the Franchise Agreement. Franchisor shall not be in default of the Franchise Agreement for any breach of this Agreement by Company and any default of Company under this Agreement will not excuse Franchisee's performance of Franchisee's obligations hereunder or under the Franchise Agreement.
- d. Force Majeure. Each party to this Agreement shall be excused from performance of its obligations pursuant to this Agreement (other than the performance of the payment obligations) for any period and to the extent that such party is prevented from performing pursuant hereto, in whole or in part, as a result of delays caused by the other party or an act of God, war, civil disturbance, court order, labor dispute, third party non-performance or other cause beyond its reasonable control, including failures, fluctuations or non-availability of electric power, heat, light, air-conditioning or telecommunications equipment, and such non-performance shall not be a default hereunder. A force majeure event does not include, whether directly or indirectly, economic hardship, changes in market conditions, or insufficiency of funds.
- e. No Waivers. No failure by either party to exercise any power given to it under this Agreement, or to insist upon strict compliance by the other party of any obligation hereunder, and no custom or practice of the parties at variance with the terms of this Agreement will constitute a waiver of the party's right to demand exact compliance with the terms hereof.
- f. Remedies Non-Exclusive. No remedy made available to any party by any of the provisions of this Agreement is intended to be exclusive of any other remedy, and each and every remedy shall be cumulative and in addition to every other available remedy.
- g. Severability. Should any provision of this Agreement be declared invalid for any reason, such invalid provisions shall not affect the validity of any other provisions, which other provisions shall remain in force and effect as if this Agreement had been executed with the invalid provisions eliminated.

- h. Independent Contractors. Company's relationship to Franchisee with respect to the Support Services shall be that of an independent contractor. Nothing herein shall be construed as creating or implying any partnership, joint venture, or similar relationship between Company and Franchisee. Person(s) providing Support Services under the Agreement shall not, for any purpose, be considered employees or agents of Franchisee. Company will be solely responsible for the supervision, daily direction and control of its employees while such employees are performing Support Services under this Agreement. Neither party hereto has any authority of any kind to bind the other party in any respect whatsoever, nor shall either party hereto act or attempt to act, or represent itself, directly or by implication, as an agent of the other party hereto or in any manner assume or create, or attempt to assume or create, any obligation on behalf of or in the name of the other party hereto.
- i. Law; Arbitration; Venue; Jurisdiction. The parties agree that all provisions of this Agreement and any questions concerning its interpretation and enforcement shall be governed by the laws of the State of Georgia, without giving effect to the State's choice or conflicts of law provisions. The execution and delivery of this Agreement shall be deemed to be the transaction of business within the State of Georgia for purposes of conferring jurisdiction upon courts located within the State of Georgia. Unless specifically stated otherwise, this Agreement shall be subject to dispute resolution provisions in the Franchise Agreement and limited liability provisions in the Franchise Agreement; provided, however, for the avoidance of doubt, the limitation of liability provisions in **Section 11** hereof shall also apply.
- j. Prior Agreements. This Agreement supersedes any prior agreements, commitments and obligations between the respective parties to this Agreement and related to the subject matter hereof, and any such prior agreement, commitment or obligation is hereby canceled and of no further force or effect; provided, for the avoidance of doubt, the Franchise Agreement shall in no way be deemed superseded or canceled hereby.
- k. Modification; Headings. This Agreement may not be altered or modified except by a writing signed by both parties. The Background is a part of this Agreement. Captions used herein are for convenience only, are not a part of this Agreement, and shall not be used in construing this Agreement.
- l. Survival. All representations, warranties, covenants and indemnities made herein, and any provisions of this Agreement which by their express terms or very nature should survive expiration or termination of this Agreement shall survive and shall remain in full force and effect following expiration or termination of this Agreement. All of a party's rights and privileges, to the extent they are attributable to events or conditions occurring or existing on or prior to the termination of this Agreement, shall survive the termination of this Agreement and shall be enforceable by such party and its successors and assigns.
- m. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same agreement.
- n. Limited Recourse. The parties agree that any remedy or recourse available under or related to this Agreement is strictly limited to the parties to this Agreement. No past,

present or future director, officer, employee, incorporator, member, partner, stockholder, subsidiary, affiliate, controlling party, entity under common control, ownership or management, vendor, service provider, agent or attorney of either party shall have any liability under this Agreement of or for any claim based on, in respect of, or by reason of, the transactions contemplated hereby and thereby. The foregoing is not intended to discharge either party from its liability for any breach of this Agreement by its directors, officers, employees, consultants and agents.

- o. Entire Agreement. Except as provided in **Section 16.j.**, this Agreement constitutes the entire understanding and agreement of the parties, and no representations, documents, promises or agreements, oral or otherwise, trade usage, or course of conduct between the parties not embodied herein will be of any force or effect.

IN WITNESS WHEREOF, the parties, by their duly authorized representatives, have executed this Agreement as of the date first stated above.

**COMPANY:**

**AUNTIE ANNE'S LLC**

By: \_\_\_\_\_  
Name: **Tim Goodman**  
Title: Senior Vice President  
Franchise Administration

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

**FRANCHISEE:**

«Z1\_First\_Name» «Z1\_Last\_Name»  
a «Z1\_State\_of\_Formation»  
«Z1\_Entity\_Type»

By: \_\_\_\_\_  
Name: «Signee\_1\_name»  
Title: «Signee\_1\_title»

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

By: \_\_\_\_\_  
Name: «Signee\_2\_name»  
Title: «Signee\_2\_title»

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

## Schedule A

### A. SUPPORT SERVICES

#### 1. Comprehensive Support

a. **Scope of Support Services:** The Support Services Team will make Franchisor-approved, enterprise-level database changes (e.g., limited time offers, new menu items, and price changes) to the POS System and maintain synchronization between the POS System and any third-party services providers integrated with the POS System, including, for example, providers of online ordering, catering, mobile applications, loyalty programs and delivery services. Additionally, the Support Services Team will provide remote technical support services, including troubleshooting, assistance with resolving acute or chronic technical issues, assistance with configuration issues, correcting database or file corruption issues, restoring functionality, providing consultation, escalating unresolved issues to the appropriate third-party vendor, coordinating field service visits by third party vendors, facilitating introductions to third-party vendors and providing consultation regarding the scope of work of third-party vendors for services beyond the scope of this Agreement. Such Support Services are provided in connection with the Franchised Business' back office system and POS System consisting of Franchisor-required and Franchisor-approved hardware and software including, for example, file servers, manager workstations, POS terminals, payment processing terminals, routers, kitchen printers and kitchen display systems, digital menu boards, and firewalls.

Comprehensive Support includes access to the ServiceNow Customer Service Portal, which allows the Franchisee to research common issues and self-help solutions, request Support Services and track the status of such requests.

Prior to requesting Comprehensive Support Services, Franchisee and Designated Personnel shall use best efforts to resolve the issue using internal resources and the Service-Now Knowledge Base. Further, Designated Personnel calling for support services should be trained in the general operation of the POS System.

Comprehensive Support does not include: Billable Support, training on use of the POS System or back office system; troubleshooting internet service; hardware maintenance or replacement; support of non-approved software, non-instructional games, audio and video, non-standard screensavers, or internet messaging; and/or assistance with operations or balancing (i.e., over/short, pullback, data entry, etc.).

b. **Service Fee:** \$\_\_\_\_\_ per month ("**Comprehensive Support Fee**").

### B. BILLABLE SUPPORT

1. **Scope of Support Services.** Billable Support consists of Support Services that are (i) outside the scope of Comprehensive Support; and (ii) Support Services requested and provided outside of the Hours of Availability set forth in **Section C** of this **Schedule A**. Upon Franchisee's request, Company may, in its sole discretion, provide Billable Support Services.
2. **Service Fee.** \$\_\_\_\_\_ per hour, or any part thereof (4 hour minimum required) ("**Billable Support Fee**").

### C. HOW TO REQUEST SUPPORT SERVICES

| Method of Contact   | Types of Issues or Requests | Hours of Availability <sup>1</sup>  | Response Time       |
|---|-----------------------------|---|---------------------|
| <b>Service-Now Self-Service Portal</b><br>(Log in and submit request electronically.)<br><br><b>Or submit an email to support (poshelp@auntieannes.com)</b> | Low/Medium Severity         | 24 hours per day, 7 days per week   | Within 8 hours      |
| <b>Telephone</b><br>Phone: 844-577-7423   | High Severity; Critical     | 24 hours per day, 7 days per week, excluding Thanksgiving Day and Christmas Day | Calls answered live |

<sup>1</sup>Hours of availability may be altered at Company's sole discretion.

### D. Prioritizing Requests; Target Resolution Timeframe

The Support Services Team will use the following guidelines in prioritizing requests and will strive to provide a work around or resolution to the problem within the target resolution timeframe. The target resolution timeframes shown below are intended as a guideline and not a guarantee of service. Severity level is determined by the impact of the problem to management or business function. Severity governs the resources committed, and time required, to resolve the request. Actual resolutions times may vary depending on the volume and severity of requests received by the Support Services Team at any one time. Once a request or issue is escalated to a vendor, the Support Services Team is waiting on a response, or the resolution is determined to be outside of the Support Services Team control (including replacement of hardware), the request will be considered to be "escalated" and will no longer impact the target resolution timeframes below.

| Severity Level  | Example of Issue or Request  | Target Resolution Timeframe                     |
|-----------------|--|---|
| Critical        | All terminals or scanners down; unable to process credit; or online ordering down                                      | 4 hours (response within 15 minutes of request) |
| High Severity   | One terminal or scanner down; credit spooling offline; firewall issue; or VoIP phones (for supported stores)           | 1-2 business days                               |
| Medium Severity | Front Counter POS peripherals down; third party printer down; sales or labor reports unavailable; or end-of-day issues | 2-3 business days                               |
| Low Severity    | Additional hardware request; menu maintenance; or general technology inquiries   | 3-5 business days                               |

**EXHIBIT D**  
**INFORMATION ON FRANCHISEES**



## INFORMATION REGARDING FRANCHISEES

The names, addresses and telephone numbers of our franchisees and their Shops as of December 31, 2021 are as follows:

| Franchisee                                    | Address                             | City           | State    | Zip   | Telephone    |
|---|-------------------------------------|----------------|----------|-------|--------------|
| Sunny's Pretzels, LLC                         | 2000-123 Riverchase Galleria        | Birmingham     | Alabama  | 35244 | 205-987-2700 |
| KP&D Brands, LLC                              | 900 Commons Dr, Ste 821             | Dothan         | Alabama  | 36303 | 334-671-2771 |
| KP&D Brands, LLC                              | 600 Boll Weevil Circle              | Enterprise     | Alabama  | 36330 | 3343470027   |
| Pretzelbon, LLC                               | 10113 Foley Beach Express           | Foley          | Alabama  | 36535 | 251-378-2826 |
| Seven Hills, Inc.                             | 6200 Grand River Boulevard East     | Leeds          | Alabama  | 35094 | 205-699-0656 |
| Cookiebon LLC                                 | 685 Schillinger Rd. S.              | Mobile         | Alabama  | 36695 | 251-461-6432 |
| Pretzelbon, LLC                               | 3208 Bel Air Mall                   | Mobile         | Alabama  | 36606 | 251-476-5325 |
| Montgomery 1st Investment Group LLC           | US Highway & Eastern Bypass Spc E13 | Montgomery     | Alabama  | 36117 | 334-260-0704 |
| ARAMARK Food and Support Services Group, Inc. | Ferguson Center                     | Tuscaloosa     | Alabama  | 35401 | 651-452-8118 |
| Tuscaloosa Pretzel Ventures LLC               | 1701 McFarland Blvd East            | Tuscaloosa     | Alabama  | 35404 | 205-553-4200 |
| Prezalter-Northwest, LLC                      | 800 E Dimond Blvd, Ste 121          | Anchorage      | Alaska   | 99515 | 907-677-1237 |
| Prezalter-Northwest, LLC                      | 320 W Fifth Ave, #372               | Anchorage      | Alaska   | 99501 | 907-677-1668 |
| GRAK Concepts LLC                             | 3111 W Chandler Blvd Spc 1072       | Chandler       | Arizona  | 85226 | 480 726-2700 |
| RPM Bakeries LLC                              | 7700 W. Arrowhead Towne Center      | Glendale       | Arizona  | 85308 | 623-522-8611 |
| C&R/98 Venture, Inc.                          | 4250 Anthem Way F90                 | Phoenix        | Arizona  | 85086 | 623-581-2990 |
| Rajneek Khillan                               | 1781 W Hunt Hwy                     | San Tan Valley | Arizona  | 85143 | 480-677-8927 |
| GRAK Concepts LLC                             | 7014 E Camelback Rd                 | Scottsdale     | Arizona  | 85251 | 480-941-6900 |
| Pretzel Twist LLC                             | 5000 Arizona Mills Circle           | Tempe          | Arizona  | 85282 | 480-820-2738 |
| The Paradies Shops, LLC                       | 1 Airport Blvd                      | Bentonville    | Arkansas | 72712 | 4792051000   |
| Adams Food Group LLC                          | 4201 North Shiloh Drive             | Fayetteville   | Arkansas | 72703 | 479-316-7160 |
| ZORYA LLC                                     | 644 W Dickson St                    | Fayetteville   | Arkansas | 72701 | 479-935-3245 |
| Christopher Coleman                           | 3009 Turman, Ste A#3 (Commissary)   | Jonesboro      | Arkansas | 72404 | 870-273-5160 |
| MAURCO, INC.                                  | 3000 E Highland Dr                  | Jonesboro      | Arkansas | 72401 | 870-935-9661 |
| BMLAR LLC                                     | 11201 Bass Pro Pkwy                 | Little Rock    | Arkansas | 72210 | 501-615-8212 |
| Melshire DFW LP                               | 6000 West Markham Street            | Little Rock    | Arkansas | 72205 | 501-747-2228 |

| Franchisee                          | Address                                  | City        | State      | Zip   | Telephone      |
|-------------------------------------|--|-------------|------------|-------|----------------|
| PRETZEL KING, LLC (CA)              | 3520 Giddings Ranch Road<br>(Commissary) | Altadena    | California | 91001 | 8186342449     |
| All Triple Lee Corporation          | 2626 East Katella Ave                    | Anaheim     | California | 92806 | 657-221-0670   |
| Lam Asset Management, LLC           | 400 S Baldwin Ave                        | Arcadia     | California | 91007 | 626-639-8499   |
| Lam Asset Management, LLC           | 400 S Baldwin Ave Spc E5 Ste 119         | Arcadia     | California | 91007 | 626-639-8850   |
| PRETZEL KING, LLC (CA)              | 5701 Outlets at Tejon Parkway, Spc 870   | Arvin       | California | 93023 | 661-858-2899   |
| SLO Life Company, LLC               | 6994 El Camino Real                      | Atascadero  | California | 93422 | 805-461-1405   |
| PRETZEL KING, LLC (CA)              | 2701 Ming Ave                            | Bakersfield | California | 93304 | 661-832-3249   |
| Steve Wang, Dinah Wang              | 1003 Brea Mall                           | Brea        | California | 92821 | 714-256-1253   |
| Yoon Soon Lee, Moo Youl Lee         | 8378 On The Mall, Ste 233                | Buena Park  | California | 90620 | 714-761-4161   |
| Steven Craig                        | 48750 Seminole Dr Spc 106                | Cabazon     | California | 92230 | 951-849-9575   |
| C and L Snack Brands LLC            | 888 W. 2nd Street                        | Calexico    | California | 92231 | (505) 553-0999 |
| Pretzel Star, Inc.                  | 6600 Topanga Canyon Blvd                 | Canoga Park | California | 91303 | 818-992-7303   |
| J & J Spring, Inc.                  | 141B Los Cerritos Center                 | Cerritos    | California | 90703 | 562-402-7968   |
| Majestic Retail Group, Inc.         | 1950 E 20th Str, Ste E-503               | Chico       | California | 95928 | 530-342-8733   |
| E.Taylor & S.Wang Enterprises, Inc. | 472 Sun Valley Mall                      | Concord     | California | 94520 | 925 676-9648   |
| E.Taylor & S.Wang Enterprises, Inc. | 294 Fox Hills Mall                       | Culver City | California | 90230 | 310-636-0100   |
| Fresh Dining Concepts LLC           | 32A Serramonte Shopping Center           | Daly City   | California | 94015 | 6507578716     |
| PRETZEL KING, LLC (CA)              | 340 Stonewood St                         | Downey      | California | 90241 | 562-869-1902   |
| C and L Snack Brands LLC            | 3451 South Dogwood Avenue                | EL Centro   | California | 92243 | (760) 352-0800 |
| 13th Floor/Pilot, LLC               | 1350 Travis Blvd.                        | Fairfield   | California | 94533 | (707) 673-2622 |
| J&F Enterprise, Inc.                | 13000 Folsom Blvd.                       | Folsom      | California | 95630 | 916-790-8139   |
| Eagle Canyon Capital, LLC           | 44009 Osgood Rd.                         | Fremont     | California | 94539 | 510-498-8807   |
| Lam Asset Management, LLC           | 1111B Glendale Galleria                  | Glendale    | California | 91210 | 818-293-7788   |
| Fresh Dining Concepts LLC           | 1675 W Lacey Blvd                        | Hanford     | California | 93230 | 559-584-6884   |
| PRETZEL POWER, INC.                 | 267 Southland Mall Drive                 | Hayward     | California | 94545 | 510-887-0248   |
| Sammer (Sam) Anabi, Ayed Ireifej    | 13401 Main Street                        | Hesperia    | California | 92345 | 760-948-4508   |
| KNS Trading, Inc.                   | 743 Spectrum Center Dr, Ste 220          | Irvine      | California | 92618 | 949-453-0643   |
| Pretzelmaster, Inc.                 | 330 Lakewood Center Mall                 | Lakewood    | California | 90712 | 562-398-3789   |

| Franchisee                           | Address  | City           | State      | Zip        | Telephone    |
|--------------------------------------|--|----------------|------------|------------|--------------|
| PRETZEL POWER, INC.                  | 2792 Livermore Outlets Drive                       | Livermore      | California | 94551      | 925-292-7032 |
| Steven Craig                         | 100 Citadel Dr, Ste 314                            | Los Angeles    | California | 90040      | 323-726-0244 |
| We Are Fast, LLC                     | 10250 Santa Monica Blvd                            | Los Angeles    | California | 90067      | 424-226-2688 |
| Yoon Soon Lee, Moo Youl Lee          | 3650 Martin Luther King Blvd                       | Los Angeles    | California | 90008      | 323-299-4161 |
| Yoon Soon Lee, Moo Youl Lee          | 3650 Martin Luther King Blvd                       | Los Angeles    | California | 90008      | 323-299-4161 |
| PRETZEL POWER, INC.                  | 510 Great Mall Dr                                  | Milpitas       | California | 95035      | 408-934-1165 |
| PRETZEL POWER, INC.                  | 653 Great Mall Drive                               | Milpitas       | California | 95035      | 408-934-0113 |
| BETMAR ENTERPRISES, INC.             | 3401 Dale Rd                                       | Modesto        | California | 95356      | 209-575-3981 |
| Montclair Pretzels, L.P.             | 5060 Montclair Plaza Lane                          | Montclair      | California | 91763      | 909-625-6215 |
| All Triple Lee Corporation           | 2015 Montebello Town Center                        | Montebello     | California | 90640      | 323-888-9150 |
| Lakewood Food, Inc.                  | 22500 Town Cir, Ste 1048                           | Moreno Valley  | California | 92553      | 951-656-8122 |
| Fresh Dining Concepts LLC            | 2037 New Park Mall                                 | Newark         | California | 94560      | 510-791-0781 |
| Moo Youl Lee, Yoon Soon Lee          | 1043 Newport Center Dr                             | Newport Beach  | California | 92660      | 949-721-1255 |
| PRETZEL KING, LLC (CA)               | 9301 Tampa Ave Spc 122                             | Northridge     | California | 91324      | 818-998-8532 |
| PRETZEL KING, LLC (CA)               | 9301 Tampa Ave Spc 83-A                            | Northridge     | California | 91324      | 818-718-7669 |
| W&A Corporation                      | One Mills Circle                                   | Ontario        | California | 91764      | 909-980-4501 |
| W&A Corporation                      | One Mills Circle                                   | Ontario        | California | 91764      | 909-980-5014 |
| Yoon Soon Lee, Jay Lee, Moo Youl Lee | 20 City Blvd. West, Space #213                     | Orange         | California | 92868      | 657-348-2921 |
| Pilot Travel Centers LLC             | 4444 Commerce Lane                                 | Orland         | California | 95963      | 530-865-0108 |
| Majestic Retail Group, Inc.          | 72-840 Highway 111                                 | Palm Desert    | California | 92260-3324 | 760-341-2400 |
| Pilot Travel Centers LLC             | I-5 Exit 434 Sperry Road & Park Center Drive (NEQ) | Patterson      | California | 95363      | 209-892-9225 |
| Ziya Ventures, Inc.                  | 900 Dana Drive                                     | Redding        | California | 96003      | 530-768-1475 |
| Lakewood Food, Inc.                  | 1229 Galleria at Tyler                             | Riverside      | California | 92503      | 951-358-0221 |
| Fresh Dining Concepts LLC            | 1151 Galleria Blvd Spc FC1                         | Roseville      | California | 95678      | 916-784-8118 |
| Fresh Dining Concepts LLC            | 1689 Arden Way Spc 2008                            | Sacramento     | California | 95815      | 916-925-1630 |
| Jaswinder Bura                       | 8270 Delta Shores Circle                           | Sacramento     | California | 95832      | 916-759-9058 |
| RLDK, Inc.                           | 796 Northridge Mall                                | Salinas        | California | 93906      | 831.287.1715 |
| Baljit Gill, Mina Gill               | 4001 Hallmark Hwy                                  | San Bernardino | California | 92407      | 909-887-5733 |

| Franchisee                       | Address                                    | City             | State      | Zip   | Telephone    |
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| Culver Food Inc.                 | 500 Inland Ctr #K2                         | San Bernardino   | California | 92408 | 909-381-8929 |
| Fresh Dining Concepts LLC        | 1150 El Camino Real, Ste 137               | San Bruno        | California | 94066 | 650-871-0643 |
| Steven Craig                     | Interstate 5 at West Avenida Vista Hermosa | San Clemente     | California | 92673 | 949-361-6945 |
| Pishodoo                         | 111 West Harbor Drive                      | San Diego        | California | 92101 | 6195255000   |
| Prezalter-Northwest, LLC         | Food Court, Bldg. 2017                     | San Diego        | California | 92135 | 619-623-3820 |
| Valley Juice, LLC                | 865 Market Street                          | San Francisco    | California | 94103 | 415.243.3930 |
| Fresh Dining Concepts LLC        | 925 Blossom Hill Rd                        | San Jose         | California | 95123 | 408-578-5188 |
| Perfect Pretzel - Eastridge, LLC | 2200 Eastridge Mall Dr                     | San Jose         | California | 95122 | 408-531-0357 |
| Cedar Fair, L.P.                 | 4701 Great America Pkwy                    | Santa Clara      | California | 95054 | 408-986-5934 |
| Fresh Dining Concepts LLC        | Spc 2325                                   | Santa Clara      | California | 95050 | 408-248-2043 |
| 13th Floor/Pilot, LLC            | 1071 Santa Rosa Plaza                      | Santa Rosa       | California | 95407 | 707-303-7068 |
| Treasures Jewelry Store, Inc.    | 5308 Pacific Ave #30                       | Stockton         | California | 95207 | 209-476-1403 |
| CINNAKIM, LLC                    | 21540 Hawthorne Blvd, Spc 514C             | Torrance         | California | 90502 | 310-370-5852 |
| PRETZEL POWER, INC.              | 3200 N Naglee Rd Spc 158                   | Tracy            | California | 95304 | 408-934-0113 |
| PRETZEL KING, LLC (CA)           | 1403 Retherford St                         | Tulare           | California | 93274 | 559-684-9408 |
| Culver Food Inc.                 | 24201 W Valencia Blvd                      | Valencia         | California | 91355 | 661-288-1310 |
| Fresh Dining Concepts LLC        | 2027 S Mooney Blvd                         | Visalia          | California | 93277 | 559-738-1180 |
| Michael Murphy, Pauline Murphy   | 172 Plaza Dr                               | West Covina      | California | 91790 | 626-813-3670 |
| Westminster Pretzels, LLC        | 2004 Westminster Mall                      | Westminster      | California | 92683 | 714-894-6670 |
| Majestic Retail Group, Inc.      | 1215 Colusa Avenue                         | Yuba City        | California | 95991 | 530-755-2220 |
| CRC Pretzels, LLC                | 6700 North Gaylord Rockies Blvd.           | Aurora           | Colorado   | 80019 | 816-262-3875 |
| Reynolds Restaurant Group LLC    | 14200 E Alameda Ave                        | Aurora           | Colorado   | 80012 | 303-856-7364 |
| H & V Pretzels, LLC              | One W Flatiron Cir, Spc 2234               | Broomfield       | Colorado   | 80021 | 303-325-3227 |
| CRC Pretzels, LLC                | 5050 Factory Shops Blvd.                   | Castle Rock      | Colorado   | 80108 | 720-328-8422 |
| H & V Pretzels, LLC              | 1710 Briargate Blvd                        | Colorado Springs | Colorado   | 80920 | 719-266-6995 |
| Fresquez Concessions, Inc.       | 7680 N Wenatchee Street                    | Denver           | Colorado   | 80249 | 303-363-4831 |
| H & V Pretzels, LLC              | 500 16th St.                               | Denver           | Colorado   | 80021 | 303-573-3940 |
| The Paradies Shops, LLC          | 8500 Pena Blvd                             | Denver           | Colorado   | 80246 | 720-325-2997 |

| Franchisee                        | Address                          | City           | State                | Zip   | Telephone      |
|-----------------------------------|----------------------------------|----------------|----------------------|-------|----------------|
| H & V Pretzels, LLC               | 215 E. Foothills Parkway         | Fort Collins   | Colorado             | 80525 | 970-305-8520   |
| Colorado Dostana LLC              | 14500 W Colfax Avenue, #536      | Lakewood       | Colorado             | 80123 | 303-590-1512   |
| H & V Pretzels, LLC               | 8501 W Bowles Ave #2C-339        | Littleton      | Colorado             | 80123 | 303-569-6486   |
| Fresh Dining Concepts LLC         | 7 Backus Avenue                  | Danbury        | Connecticut          | 06810 | 888-484-5450   |
| Fresh Dining Concepts LLC         | 7 Backus Avenue                  | Danbury        | Connecticut          | 06810 | 888-484-5450   |
| CYTAN LLC                         | 500 Westfarms Mall               | Farmington     | Connecticut          | 06032 | 860-521-3637   |
| CYTAN LLC                         | 495 Flatbush Avenue              | Hartford       | Connecticut          | 06106 | 860-904-5289   |
| 2 Sweet of CT, Inc.               | 455 Trolley Line Blvd            | Mashantucket   | Connecticut          | 06338 | 860-934-5937   |
| MCCT ENTERPRISES, LLC             | I-95 Connecticut Turnpike        | Milford        | Connecticut          | 06460 | 631-379-3829   |
| MCCT ENTERPRISES, LLC             | I-95 Connecticut Turnpike        | Milford        | Connecticut          | 06460 | (631) 379-3829 |
| New England Venture Group, LLC    | 1201 Boston Post Road            | Milford        | Connecticut          | 06460 | 203-283-9895   |
| LEVI and CATHY, INC.              | 263 Wal-Mart Dr                  | Camden         | Delaware             | 19934 | 302-697-4650   |
| LEVI and CATHY, INC.              | 3004 Dover Mall                  | Dover          | Delaware             | 19901 | 302-674-5311   |
| PRTZ LLC                          | 939 N DuPont Hwy                 | Milford        | Delaware             | 19963 | 302-424-3525   |
| Applegreen DE Welcome Centres LLC | 530 JFK Memorial Highway         | Newark         | Delaware             | 19702 | 302-757-9578   |
| TNT TWIST, INC.                   | 223 Christiana Mall Rd           | Newark         | Delaware             | 19702 | 302-525-3521   |
| TNT TWIST, INC.                   | 752 Christiana Mall Road         | Newark         | Delaware             | 19702 | 302-368-4446   |
| Riyad Omar                        | 160 Rehoboth Avenue (Commissary) | Rehoboth Beach | Delaware             | 19971 | 443-365-9444   |
| Riyad Omar                        | 160 Rehoboth Ave (Commissary)    | Rehoboth Beach | Delaware             | 19971 | 443-365-9444   |
| Riyad Omar, Asil Omar             | 160 Rehoboth Ave.                | Rehoboth Beach | Delaware             | 19971 | 302-227-1999   |
| Riyad Omar, Asil Omar             | 57 Rehoboth Ave.                 | Rehoboth Beach | Delaware             | 19971 | 443-365-9444   |
| ST Endeavors LLC                  | 5613 Concord Pike                | Wilmington     | Delaware             | 19803 | 302-543-7530   |
| Twisted Ventures, LLC             | 3214 Kirkwood Hwy                | Wilmington     | Delaware             | 19808 | 302-995-1403   |
| MILZELS 2, LLC                    | 429 L'Enfant Plaza SW            | Washington     | District of Columbia | 20024 | 202-450-2025   |
| STL DC LLC                        | 3001 Connecticut Ave. NW         | Washington     | District of Columbia | 20008 | 3015806696     |

| Franchisee                             | Address                            | City              | State                | Zip   | Telephone      |
|--|------------------------------------|-------------------|----------------------|-------|----------------|
| STL DC LLC                             | 3001 Connecticut Ave NW            | Washington        | District of Columbia | 20008 | 301-580-9785   |
| Fresh Dining Concepts LLC              | 50 Massachusetts Ave NE            | Washington DC     | District of Columbia | 20002 | (786) 369-0471 |
| RJGE 6, LLC                            | 451 E Altamonte Dr Ste 1441        | Altamonte Springs | Florida              | 32701 | 407-332-6400   |
| T & D ASSOCIATES OF AVENTURA LLC       | Turnberry Associates               | Aventura          | Florida              | 33180 | 305-936-8066   |
| Fresh Dining Concepts LLC              | 167 Town Center                    | Boca Raton        | Florida              | 33431 | 888-484-5450   |
| Fresh Dining Concepts LLC              | 6000 Glades Rd                     | Boca Raton        | Florida              | 33431 | (786) 369-0471 |
| Pretzel Chef, Inc.                     | Hour Cucina                        | Boynton Beach     | Florida              | 33435 | (954) 650-0376 |
| R & A Pretzels, Inc.                   | 801 N Congress Ave Sp 779          | Boynton Beach     | Florida              | 33426 | 561-732-5359   |
| CHESTNUT LAND COMPANY                  | 459 Brandon Town Center            | Brandon           | Florida              | 33511 | 813-654-4514   |
| CHESTNUT LAND COMPANY                  | 409 Brandon Town Center            | Brandon           | Florida              | 33511 | 813-661-1811   |
| RJGE, INC.                             | 27001 US Hwy 19 N                  | Clearwater        | Florida              | 33761 | 727-791-3922   |
| RJGE, INC.                             | 27001 US Highway 19 North          | Clearwater        | Florida              | 33761 | 727-796-7151   |
| All American Business Associates, Inc. | 550 US Highway 27                  | Clermont          | Florida              | 34714 | 352-404-9332   |
| Mudassar Ismail                        | 4700 South Flamingo Road           | Cooper City       | Florida              | 33330 | 954-306-2173   |
| Fresh Dining Concepts LLC              | 9469 W Atlantic Blvd               | Coral Springs     | Florida              | 33071 | 954-753-9444   |
| CHESTNUT LAND COMPANY                  | 1700 W Int'l Speedway Blvd         | Daytona           | Florida              | 32114 | 386-238-0956   |
| Chestnut Land Company                  | SE Quadrant of I-95 and LPGA Blvd. | Daytona Beach     | Florida              | 32114 | 386-947-7463   |
| Heinemann Group, Inc.                  | 5371 Factory Shops Blvd            | Ellenton          | Florida              | 34222 | 941-723-6612   |
| CHESTNUT LAND COMPANY                  | 23147 Fashion Dr, Ksk #102         | Estero            | Florida              | 33928 | 239-947-2302   |
| Rizzo Pretzels, Inc.                   | #112 10801 Corkscrew Rd            | Estero            | Florida              | 33928 | 239-949-0833   |
| Chestnut Land Company                  | 4125 Cleveland Ave.                | Fort Myers        | Florida              | 33901 | 239-275-1058   |
| Fresh Dining Concepts LLC              | 2414 E Sunrise Blvd                | Ft Lauderdale     | Florida              | 33304 | 888-484-5450   |
| Melinda Acord                          | 3200 N Federal Hwy                 | Ft Lauderdale     | Florida              | 33306 | 9545650595     |
| Chestnut Land Company                  | 4125 Cleveland Ave Unit 57         | Ft Myers          | Florida              | 33901 | 239-275-6333   |
| Host International, Inc.               | 100 Terminal Drive                 | Ft. Lauderdale    | Florida              | 33315 | 9548499570     |
| JB Pretzel Company                     | 1675 W 49th Street                 | Hialeah           | Florida              | 33012 | 305-556-3090   |
| Chestnut Land Company                  | 10300 Southside Blvd               | Jacksonville      | Florida              | 32256 | 904-538-9424   |

| Franchisee                             | Address                                | City                | State   | Zip   | Telephone              |
|--|--|---------------------|---------|-------|------------------------|
| CHESTNUT LAND COMPANY                  | 10337 Midtown Pkwy                     | Jacksonville        | Florida | 32246 | 904-928-3300           |
| CHESTNUT LAND COMPANY                  | 10300 Southside Blvd                   | Jacksonville        | Florida | 32256 | 904-538-9215           |
| Host International, Inc.               | 2400 Yankee Clipper Drive              | Jacksonville        | Florida | 32218 | 904-741-0040<br>ext 17 |
| Pilot Travel Centers LLC               | 4075 Jones Branch Rd.                  | Jacksonville        | Florida | 32219 | 904-786-7844           |
| SMF Pretzels Inc.                      | 9501 Arlington Expy Spc 290            | Jacksonville        | Florida | 32225 | 904-722-3969           |
| L&B Pretzels, LLC                      | 3462 NW Federal Hwy                    | Jensen Beach        | Florida | 34957 | 772-692-3100           |
| All American Business Associates, Inc. | 904 Cypress Parkway                    | Kissimmee           | Florida | 34759 | 407-870-0103           |
| Sun N' Fun Enterprises, Inc.           | 5770 W. Irlon Bronson Memorial Highway | Kissimmee           | Florida | 34746 | 407-507-2690           |
| Sun N' Fun Enterprises, Inc.           | 6000 W. Osceola Parkway                | Kissimmee           | Florida | 34746 | 727-644-6277           |
| Twisted RCMZS LLC                      | 2767 W US Hwy 90                       | Lake City           | Florida | 32055 | 386-466-0960           |
| Central Florida Pretzels LLC           | 2120 Airport Road (Commissary)         | Lakeland            | Florida | 33811 | 863-600-6636           |
| EJ & JS, LLC                           | 3800 US Hwy 98 N, Spc 706              | Lakeland            | Florida | 33809 | 863-816-7606           |
| Zulfigar Lakha                         | 3001 N State Rd 7                      | Lauderdale<br>Lakes | Florida | 33313 | 954-535-2263           |
| D.A.M. Pretzels, Inc.                  | 1700 W New Haven Ave                   | Melbourne           | Florida | 32904 | 321-768-7666           |
| CHESTNUT LAND COMPANY                  | 7535 N Kendall Dr Spc K133             | Miami               | Florida | 33156 | 786-268-2212           |
| CHESTNUT LAND COMPANY                  | 1455 NW 107th Ave                      | Miami               | Florida | 33172 | 305-392-9169           |
| Chestnut Land Company                  | 11401 NW 12th Street                   | Miami               | Florida | 33172 | 305-468-9144           |
| Chestnut Land Company                  | 11401 NW 12th Street                   | Miami               | Florida | 33172 | 305-468-9144           |
| PRETZEL MAN, INC.                      | 20505 S Dixie Hwy                      | Miami               | Florida | 33189 | 305-255-4900           |
| Katherine Maineri                      | 1800 University Dr                     | Miramar             | Florida | 33025 | 954-436-1135           |
| Artica Enterprises, Inc.               | 10406 Emerald Coast Parkway, Ste. 103  | Miramar Beach       | Florida | 32550 | (850) 837-1190         |
| CHESTNUT LAND COMPANY                  | 1900 Tamiami Trail North               | Naples              | Florida | 34102 | 239-263-4535           |
| Abdul Farid                            | 7900 W McNab Rd                        | North<br>Lauderdale | Florida | 33068 | 954-721-8851           |
| CHESTNUT LAND COMPANY                  | 3100 SW College Rd                     | Ocala               | Florida | 34474 | 352-237-8168           |
| All American Business Associates, Inc. | 10500 West Colonial Drive              | Ocoee               | Florida | 34761 | 407-654-8887           |
| ARRO PRETZELS, INC.                    | 9401 West Colonial Dr Ste 644          | Ocoee               | Florida | 34761 | 407-522-7044           |
| CHESTNUT LAND COMPANY                  | 1910 Wells Rd K-104                    | Orange Park         | Florida | 32073 | 904-278-8040           |

| Franchisee                                       | Address                        | City              | State   | Zip        | Telephone      |
|--|--------------------------------|-------------------|---------|------------|----------------|
| CHESTNUT LAND COMPANY                            | 1910 Wells Road                | Orange Park       | Florida | 32073      | 904-278-8040   |
| CHESTNUT LAND COMPANY                            | 8001 S Orange Blossom Tr       | Orlando           | Florida | 32809      | 407-859-1476   |
| Chestnut Land Company                            | 8001 S Orange Blossom Tr       | Orlando           | Florida | 32809      | 407-852-6208   |
| Chestnut Land Company                            | 8200 Vineland Ave Ste 1233     | Orlando           | Florida | 32821      | 407-238-7774   |
| CHESTNUT LAND COMPANY                            | 8001 S Orange Blossom Trail    | Orlando           | Florida | 32809      | 407-855-6400   |
| CHESTNUT LAND COMPANY                            | 4969 International Dr K101     | Orlando           | Florida | 32819-6219 | 407-351-1575   |
| Chestnut Land Company                            | 8200 Vineland Ave              | Orlando           | Florida | 32821      | (330) 729-7403 |
| Fun Spot of Florida, Inc.                        | 5700 Fun Spot Way (Commissary) | Orlando           | Florida | 32819      | 4073633867     |
| Host International, Inc.                         | One Jeff Fuqua Blvd            | Orlando           | Florida | 32827      | 407-851-1334   |
| Panchos/Transglobal Concessions of Orlando, J.V. | 1 Jeff Fuqua Blvd              | Orlando           | Florida | 32827      | 4079900386     |
| Panchos/Transglobal Concessions of Orlando, J.V. | 1 Jeff Fuqua Boulevard         | Orlando           | Florida | 32827      | 4079900385     |
| Universal City Development Partners, Ltd.        | 6000 Universal Blvd            | Orlando           | Florida | 32819      | 407-224-2600   |
| Universal City Development Partners, Ltd.        | 1000 Universal Studios Plaza   | Orlando           | Florida | 32819      | 407-224-3870   |
| Universal City Development Partners, Ltd.        | 1000 Universal Studios Plaza   | Orlando           | Florida | 32819      | 407-224-4491   |
| RVG Enterprises LLC                              | 1521 W Granada Blvd            | Ormond Beach      | Florida | 32174      | 386-672-2104   |
| Bogie Enterprises, Inc.                          | 1185 Oviedo Market Place Blvd  | Oviedo            | Florida | 32765      | 407-366-7400   |
| William (Mark) Calvert                           | 4695 Highway 90                | Pace              | Florida | 32571      | 850-994-7817   |
| Steven Sager                                     | 2765 10th Avenue North         | Palm Springs      | Florida | 33461      | 561-966-8606   |
| Artica Enterprises, Inc.                         | 600 Pier Park Drive            | Panama City Beach | Florida | 32413      | 850-598-7900   |
| Grand Palm Associates, Inc.                      | 11401 Pines Blvd Store 418     | Pembroke Pines    | Florida | 33026      | 954-437-6661   |
| J & J Snack Foods, LLC                           | 5100 North 9th Avenue          | Pensacola         | Florida | 32504      | 850-484-0544   |
| A.M.A. Pretzels VIII, Inc.                       | 8000 W. Broward Blvd.          | Plantation        | Florida | 33388      | 954-474-8848   |
| Chestnut Land Company                            | 1441 Tamiami Trl               | Port Charlotte    | Florida | 33948      | 941-629-8900   |
| Twisted RCMZS LLC                                | 19100 Murdock Circle           | Port Charlotte    | Florida | 33948      | 914-613-0050   |
| Shree Portorange LLC                             | 1590 Dunlawton Ave             | Port Orange       | Florida | 32127      | 386-756-2711   |
| AREAS USA FLTP, LLC                              | 101 Florida Way                | Port St Lucie     | Florida | 34983      | 7729242106     |
| CHESTNUT LAND COMPANY                            | Auntie Anne's - Unit 109       | Sarasota          | Florida | 34243      | 941-702-9918   |



| Franchisee  | Address  | City            | State   | Zip        | Telephone      |
|---|--|-----------------|---------|------------|----------------|
| Chestnut Land Company   | 140 University Town Center Drive                 | Sarasota        | Florida | 34243      | 941-263-3165   |
| Dough On The Go LLC   | 3901 Bahia Vista Street, Lot 523<br>(Commissary) | Sarasota        | Florida | 34232      | 3014013259     |
| Twisted RCMZS LLC   | 4381 Cattlemen Road                              | Sarasota        | Florida | 34233      | (941) 371-5566 |
| NOBA44, LLC   | 2700 State Road 16                               | St. Augustine   | Florida | 32092      | 904-824-1908   |
| AREAS USA FLTP, LLC   | MM 229 Florida Turnpike                          | St. Cloud       | Florida | 34769      | 321-214-1851   |
| Chestnut Land Company   | 6901 22nd Ave North                              | St. Petersburg  | Florida | 33710-3943 | 727-347-1531   |
| CHESTNUT LAND COMPANY   | 6901 22nd Avenue                                 | St. Petersburg  | Florida | 33710      | 727-343-2999   |
| Frozen Custard of South Florida Inc.                                  | 12801 W Sunrise Blvd                             | Sunrise         | Florida | 33323      | 954-845-0813   |
| The Rieck Company   | 12801 W Sunrise Blvd                             | Sunrise         | Florida | 33323      | 954-835-0550   |
| RJGE 2, Inc.  | 1500 Apalachee Pkwy.                             | Tallahassee     | Florida | 32301      | 850-402-1618   |
| CHESTNUT LAND COMPANY   | Citrus Park Twn Ctr Mall                         | Tampa           | Florida | 33625      | 813-926-7651   |
| CHESTNUT LAND COMPANY   | 2223 North Westshore Boulevard                   | Tampa           | Florida | 33607      | 813-877-8035   |
| CHESTNUT LAND COMPANY   | 9100 Citrus Park Town Center Mall                | Tampa           | Florida | 33625      | 813-920-5090   |
| Dough Maker LLC   | 14537 Mirabelle Vista Circle                     | Tampa           | Florida | 33626      | 727-385-5992   |
| EJ & JS, LLC  | 305 Westshore Plaza                              | Tampa           | Florida | 33609      | 813-286-8960   |
| TPA Hospitality Partners, LLC   | Store #AUA-A-2-2751                              | Tampa           | Florida | 33607      | 813-387-9872   |
| Anver Dewji (Deceased)  | 5555 20th St                                     | Vero Beach      | Florida | 32966      | 772-778-4866   |
| Fresh Dining Concepts LLC   | 10300 W Forest Hill Blvd                         | Wellington      | Florida | 33414      | 888-484-5450   |
| Fresh Dining Concepts LLC   | 10300 W. Forest Hill Blvd.                       | Wellington      | Florida | 33414      | 888-484-5450   |
| Chestnut Land Company   | I-75 and Highway 56                              | Wesley Chapel   | Florida | 33543      | (813) 949-7402 |
| Fresh Dining Concepts LLC   | 1801 Palm Beach Lakes Boulevard                  | West Palm Beach | Florida | 33401      | 888-484-5450   |
| Albany Pretzel Bakery, Inc.   | 2601 Dawson Rd                                   | Albany          | Georgia | 31707      | 229-446-7333   |
| DanMar Enterprises, Inc.  | 1130 N Point Cir                                 | Alpharetta      | Georgia | 30022      | 678-436-2514   |
| DanMar Enterprises, Inc.  | K1 North Point Circle                            | Alpharetta      | Georgia | 30022      | 770-667-8637   |
| Chestnut Land Company   | 1332 Cumberland Mall                             | Atlanta         | Georgia | 30339      | 770-431-9955   |
| Chestnut Land Company   | 1332 Cumberland Mall                             | Atlanta         | Georgia | 30339      | 770-431-9955   |
| Concessions International, LLC / H&H Hospitality, Inc - Joint Venture | 6000 N. Terminal Parkway                         | Atlanta         | Georgia | 30320      | 404-761-4379   |

| Franchisee                        | Address                          | City          | State   | Zip   | Telephone      |
|-----------------------------------|----------------------------------|---------------|---------|-------|----------------|
| DanMar Enterprises, Inc.          | 4400 Ashford-Dunwoody Rd         | Atlanta       | Georgia | 30346 | 770-350-8030   |
| Host International, Inc.          | 6000 N. Terminal Way             | Atlanta       | Georgia | 30320 | 4047610030     |
| Host International, Inc.          | 6000 N Terminal Pkwy.            | Atlanta       | Georgia | 30320 | 4047610030     |
| SE Co-Brand Ventures, LLC         | 3393 Peachtree Road              | Atlanta       | Georgia | 30326 | 404-816-1438   |
| Simply Fabulous Cuisines, LLC     | 6000 N Terminal Pkwy             | Atlanta       | Georgia | 30320 | 404-761-0030   |
| Simply Fabulous Cuisines, LLC     | 6000 N. Terminal Parkway         | Atlanta       | Georgia | 30320 | 470-440-5663   |
| SE Co-Brand Ventures, LLC         | 3450 Wrightsboro Rd Suite 2328   | Augusta       | Georgia | 30909 | 706-849-8009   |
| Chestnut Land Company             | 3333 Buford Drive Ste 1010       | Buford        | Georgia | 30519 | 678-482-4191   |
| CHESTNUT LAND COMPANY             | 3333 Buford Drive                | Buford        | Georgia | 30519 | 770.904.5895   |
| CHESTNUT LAND COMPANY             | 3507 Manchester Exwy #90         | Columbus      | Georgia | 31909 | 706-576-5600   |
| DanMar Enterprises, Inc.          | 800 Hwy 400 S                    | Dawsonville   | Georgia | 30534 | 706-216-2084   |
| Chyi Yunn, Inc.                   | 2801 Candler Rd, Spc C29         | Decatur       | Georgia | 30034 | 404-241-6968   |
| Heritage Pretzels of Atlanta, LLC | 108 Arbor Place Mall             | Douglasville  | Georgia | 30135 | 770-949-5554   |
| Sugar-Shock Soldier, LLC          | 1460 Winder Hwy                  | Jefferson     | Georgia | 30549 | 7063870315     |
| DanMar Enterprises, Inc.          | 400 Ernest West Barrett Pkwy     | Kennesaw      | Georgia | 30144 | 770-499-1769   |
| Blazing Pretzels, L.L.C.          | 5900 Sugarloaf Pkwy              | Lawrenceville | Georgia | 30043 | 678-847-6100   |
| Quick Draw Enterprises, L.L.C.    | 2929 Turner Hill Road            | Lithonia      | Georgia | 30038 | 770-482-7300   |
| Quick Draw Enterprises, L.L.C.    | 2929 Turner Hill Road            | Lithonia      | Georgia | 30038 | 678-780-9908   |
| Flying Pretzels, Inc.             | 1000 Southlake Mall Spc 2314     | Morrow        | Georgia | 30260 | 770-960-0801   |
| Flying Pretzels, Inc.             | 1000 Southlake Mall (Commissary) | Morrow        | Georgia | 30260 | 678-571-4200   |
| Sugar-Shock Soldier, LLC          | 4548 US 441                      | Rabun Gap     | Georgia | 30568 | 706-746-2255   |
| SHIVOM 9, LLC                     | 2770 Martha Berry Highway        | Rome          | Georgia | 30165 | 706-234-3597   |
| CHESTNUT LAND COMPANY             | Pooler Parkway & I-95            | Savannah      | Georgia | 31401 | 912-450-5355   |
| Host International, Inc.          | 400 Airways Avenue               | Savannah      | Georgia | 31408 | 912-964-7227   |
| Sugar-Shock Soldier, LLC          | 5220 S. Cobb Dr SE               | Smyrna        | Georgia | 30080 | 470-407-4119   |
| Pretzels On a Roll, L.L.C.        | 915 Ridgewalk Pkwy, Ste D-493    | Woodstock     | Georgia | 30188 | (678) 540-3199 |
| IDAD - 2 Inc.                     | 98-1005 Moanalua Rd, Ste 2402    | Aiea          | Hawaii  | 96706 | 808-488-2555   |
| IDAD - 2 Inc.                     | 98-1005 Moanalua Rd, Ste #150A   | Aiea          | Hawaii  | 96701 | 808-488-1777   |
| IDAD - 2 Inc.                     | 111 E Puainako Str, Spc #432     | Hilo          | Hawaii  | 96720 | 808-959-7634   |

| Franchisee   | Address                      | City             | State    | Zip   | Telephone      |
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| IDAD - 2 Inc.  | 1450 Ala Moana Blvd.         | Honolulu         | Hawaii   | 96814 | 808-947-9900   |
| IDAD - 2 Inc.  | 91-5431 Kapolei Pkwy         | Kapolei          | Hawaii   | 96707 | 808-628-4769   |
| Gerald Jensen  | 550 W Honeysuckle Ave        | Hayden           | Idaho    | 83835 | 208-772-5567   |
| Gwen Huckstep, Bob Huckstep, Patricia Noakes, Stacy Noakes | 795 W Overland Rd            | Meridian         | Idaho    | 83642 | 208-917-6902   |
| Trees Company LLC  | 2025 12th Ave. Rd.           | Nampa            | Idaho    | 83686 | (208) 313-3985 |
| CHESTNUT LAND COMPANY                                      | 1650 Premium Outlets Blvd    | Aurora           | Illinois | 60506 | 630-499-9764   |
| Chestnut Land Company                                      | 1650 Premium Outlets Blvd    | Aurora           | Illinois | 60502 | 630-585-5644   |
| Fresh Dining Concepts LLC                                  | 1100 Fox Valley Center       | Aurora           | Illinois | 60504 | 630-585-7160   |
| Fresh Dining Concepts LLC                                  | 2062 Fox Valley Ctr          | Aurora           | Illinois | 60504 | 630-236-9147   |
| Fresh Dining Concepts LLC                                  | Auntie Anne's Kiosk #7A      | Belvidere        | Illinois | 61008 | 815-544-0287   |
| SC Pretzels Bolingbrook LLC                                | 735 E Boughton Rd            | Bolingbrook      | Illinois | 60440 | 630-783-1558   |
| CNR Food Services, Inc.                                    | 1600 N State Rt 50           | Bourbonnais      | Illinois | 60914 | 815-937-2688   |
| SHREE SAINATH Inc.   | 96 River Oaks Center         | Calumet City     | Illinois | 60409 | 708-730-0796   |
| Chestnut Land Company                                      | 2000 N Neil St Spc 260       | Champaign        | Illinois | 61821 | 217-378-4070   |
| CNR TWIST, INC.  | 7601 S Cicero Ave            | Chicago          | Illinois | 60652 | 773-582-1405   |
| Double P Corporation                                       | 10000W O'Hare                | Chicago          | Illinois | 60666 | 773-894-4616   |
| Double P Corporation                                       | O'Hare Airport               | Chicago          | Illinois | 60666 | 773-894-4616   |
| Focus Jaber, Inc.  | 151 N. Michigan Ave.         | Chicago          | Illinois | 60686 | 312-929-3844   |
| Fresh Dining Concepts LLC                                  | 3333 W Touhy Ave             | Chicago          | Illinois | 60712 | 847-329-8250   |
| Fresh Dining Concepts LLC                                  | 845 N Michigan Ave           | Chicago          | Illinois | 60611 | 312-280-7740   |
| Fresh Dining Concepts LLC                                  | 500 W Madison St             | Chicago          | Illinois | 60661 | 312-474-1090   |
| Fresh Dining Concepts LLC                                  | 225 S Canal St               | Chicago          | Illinois | 60606 | 312-877-5338   |
| Fresh Dining Concepts LLC                                  | 501 Chicago Ridge Mall Dr    | Chicago Ridge    | Illinois | 60415 | 708-229-0477   |
| Board of Trustees of Southern Illinois University          | Southern Illinois University | Edwardsville     | Illinois | 62026 | 618-650-2374   |
| Profitable Pretzels LLC                                    | 266 St Clair Square          | Fairview Heights | Illinois | 62208 | 618-624-2540   |
| CNR Food Services, Inc.                                    | 1146 Hickory Mall            | Forsyth          | Illinois | 62535 | 267-938-0587   |
| HGH Brothers LLC   | SpC 45K203                   | Gurnee           | Illinois | 60031 | 847-855-7866   |
| Fresh Dining Concepts LLC                                  | 403 Oakbrook Center          | Hinsdale         | Illinois | 60523 | 630-472-3184   |

| Franchisee                           | Address                          | City            | State    | Zip        | Telephone      |
|--------------------------------------|----------------------------------|-----------------|----------|------------|----------------|
| Fresh Dining Concepts LLC            | 3340 Mall Loop Dr                | Joliet          | Illinois | 60431      | 815-439-6730   |
| Fresh Dining Concepts LLC            | 13783 West Oasis Service RD      | Lake Forest     | Illinois | 60045      | 847-295-9210   |
| Fresh Dining Concepts LLC            | 203 Yorktown                     | Lombard         | Illinois | 60148      | 630-627-4513   |
| Fresh Dining Concepts LLC            | 7501 W Cermak Rd                 | N Riverside     | Illinois | 60546      | 708-442-5053   |
| Dakota Boulanger                     | 2356 E Lincoln Hwy (Commissary)  | New Lenox       | Illinois | 60451-9533 | 815-409-0922   |
| Margaret Boulanger, Dakota Boulanger | 2356 E. Lincoln Hwy (Commissary) | New Lenox       | Illinois | 60451      | 815-342-2378   |
| Fresh Dining Concepts LLC            | N Harlem Ave Spc 79              | Norridge        | Illinois | 60706      | 708-456-4627   |
| Fresh Dining Concepts LLC            | 7501 W Cermak Road               | North Riverside | Illinois | 60546      | 708-447-5011   |
| Fresh Dining Concepts LLC            | 2171 Northbrook Ct Spc 1286      | Northbrook      | Illinois | 60062      | 847-559-6473   |
| Fresh Dining Concepts LLC            | 308 Orland Square                | Orland Park     | Illinois | 60462      | 708-349-4526   |
| Jamszels LLC                         | 2700 Route 34                    | Oswego          | Illinois | 60543      | 630-551-8109   |
| Chestnut Land Company                | 2200 West War Memorial Drive     | Peoria          | Illinois | 61613      | 309-688-2529   |
| CNR Food Services, Inc.              | 3320 Quincy Mall                 | Quincy          | Illinois | 62301      | 217-223-5119   |
| Jai Sitaram Corporation              | 7200 Harrison Ave                | Rockford        | Illinois | 61112      | 815-332-4732   |
| Fresh Dining Concepts LLC            | I-94 @ Balmoral Avenue           | Rosemont        | Illinois | 60018      | (847) 928-1962 |
| Fresh Dining Concepts LLC            | Woodfield Dr Spc D103            | Schaumburg      | Illinois | 60173      | 847-995-8353   |
| Fresh Dining Concepts LLC            | 5 Woodfield Mall                 | Schaumburg      | Illinois | 60173      | (847) 619-6844 |
| Fresh Dining Concepts LLC            | 4999 Old Orchard Center          | Skokie          | Illinois | 60077      | 847-677-1077   |
| Chestnut Land Company                | 2501 W. Wabash                   | Springfield     | Illinois | 62704      | 217-787-4429   |
| Fresh Dining Concepts LLC            | 118 Hawthorn Center Spc E13      | Vernon Hills    | Illinois | 60061      | 847-573-0911   |
| Amritpal Pannu                       | 9500 E US Highway 36             | Avon            | Indiana  | 46123      | 317-273-8712   |
| Bosie's Enterprises, Inc.            | SpC K-07, 2928 E 3rd Str         | Bloomington     | Indiana  | 47401      | 812-323-9440   |
| Bosie's Enterprises, Inc.            | 757 Lewis & Clark Pkwy E         | Clarksville     | Indiana  | 47129      | 812-280-0940   |
| CHESTNUT LAND COMPANY                | 11622 N.E. Executive Drive       | Edinburgh       | Indiana  | 46124      | 812-526-2444   |
| Bosie's Enterprises, Inc.            | 800 N Green River Rd             | Evansville      | Indiana  | 47715      | 812-475-0201   |
| Brilliant Blondes, LLC               | 4201 Coldwater Rd                | Fort Wayne      | Indiana  | 46805      | 260-482-7601   |
| Brilliant Blondes, LLC               | 4201 Coldwater Rd                | Fort Wayne      | Indiana  | 46805      | 260-471-7120   |
| AJB Rolling, LLC                     | 10301 Maysville Rd               | Ft Wayne        | Indiana  | 46835      | (260) 492-2009 |

| Franchisee                        | Address   | City            | State    | Zip   | Telephone    |
|-----------------------------------|---|-----------------|----------|-------|--------------|
| AJB Rolling, LLC                  | 5903 Illinois Road  | Ft Wayne        | Indiana  | 46804 | 260-436-6117 |
| AJB Rolling, LLC                  | 4000 Parnell Ave.   | Ft. Wayne       | Indiana  | 46805 | 260-450-2345 |
| Chestnut Land Company             | 1251 US 31 N  | Greenwood       | Indiana  | 46142 | 317-859-0809 |
| Chestnut Land Company             | 1251 U.S. Highway 31N   | Greenwood       | Indiana  | 46142 | 317-360-6601 |
| Amritpal Pannu                    | 10617 E Washington St   | Indianapolis    | Indiana  | 46229 | 317-890-7655 |
| Chestnut Land Company             | 6020 E 82nd St Spc 138A                                       | Indianapolis    | Indiana  | 46250 | 317-598-1814 |
| Faham Younus                      | 49 W. Maryland St   | Indianapolis    | Indiana  | 46204 | 317-875-1618 |
| Chestnut Land Company             | 2415 Sagamore Pkwy South                                      | Lafayette       | Indiana  | 47905 | 765-448-4446 |
| Pilot Travel Centers LLC          | 6225 East North 00 South                                      | Marion          | Indiana  | 46952 | 765-673-0059 |
| Fresh Dining Concepts LLC         | 2268 Southlake Mall   | Merrillville    | Indiana  | 46410 | 219-795-1063 |
| Chestnut Land Company             | 6501 N Grape Rd   | Mishawaka       | Indiana  | 46545 | 574-273-2956 |
| Brilliant Blondes, LLC            | 3501 N Granville Ave Spc L01C                                 | Muncie          | Indiana  | 47303 | 765-288-8077 |
| Applegreen IN Welcome Centres LLC | Indiana Toll Road - Wilbur Shaw Travel Plaza - 3N - Westbound | Rolling Prairie | Indiana  | 46371 | 219-778-7015 |
| Applegreen IN Welcome Centres LLC | Knute Rockne Travel Plaza 3S - Eastbound                      | Rolling Prairie | Indiana  | 46371 | 219-778-7000 |
| SBM Kyrillos LLC                  | 801 Bass Pro Drive NW, Inline Space #604                      | Altoona         | Iowa     | 50009 | 5158220156   |
| Bhatti LLC 1                      | 1451 Coral Ridge Avenue                                       | Coralville      | Iowa     | 52241 | 319-625-2015 |
| Amber's Pretzels LLC              | 3800 Merle Hay Rd Spc 500A                                    | Des Moines      | Iowa     | 50310 | 515-331-1530 |
| TWISTED PRETZEL, INC.             | 555 J. F. Kennedy Road  | Dubuque         | Iowa     | 52002 | 515-991-9091 |
| Amber's Creek, L.L.C.             | 101 Jordan Creek Pkwy   | West Des Moines | Iowa     | 50266 | 515-223-1345 |
| St. Joseph Pretzels, L.L.C.       | 1803 Village West Parkway                                     | Kansas City     | Kansas   | 66111 | 913-400-7370 |
| Fresh Dining Concepts LLC         | 11619 W 95th St   | Overland Park   | Kansas   | 66214 | 913-310-0047 |
| Fresh Dining Concepts LLC         | 11503 W 95th  | Overland Park   | Kansas   | 66214 | 913-831-8441 |
| PRETZEL A DAY, INC.               | 4600 W Kellogg Spc H8   | Wichita         | Kansas   | 67209 | 316-942-4501 |
| PRETZEL A DAY, INC.               | 7700 E Kellogg Spc E10  | Wichita         | Kansas   | 67207 | 316-681-1545 |
| CUATRO ENTERPRISE, LLC            | 2625 Scottsville Rd   | Bowling Green   | Kentucky | 42104 | 270-793-9273 |
| Tweed-Hardesty LLC                | 3223 S. Dixie, Hwy  | Elizabethtown   | Kentucky | 42701 | 502-510-2306 |
| Bosie's Enterprises, Inc.         | Florence Mall Space 2092                                      | Florence        | Kentucky | 41042 | 859-647-2500 |

| Franchisee                                    | Address                           | City         | State     | Zip        | Telephone      |
|---|-----------------------------------|--------------|-----------|------------|----------------|
| 21 Cheese Sticks, Inc.                        | 425 North Main St (Commissary)    | Greenville   | Kentucky  | 42345      | 270-608-4750   |
| ARAMARK Food and Support Services Group, Inc. | 160 Avenue of Champions           | Lexington    | Kentucky  | 40506      | 2152384013     |
| Aunt Annette's, LLC                           | PK55 3401 Nicholasville Rd        | Lexington    | Kentucky  | 40503      | 859-272-0101   |
| Bosie's Enterprises, Inc.                     | 7900 Shelbyville Rd               | Louisville   | Kentucky  | 40222      | 502-339-1750   |
| Bosie's Enterprises, Inc.                     | 4801 PK 65 Outer Loop             | Louisville   | Kentucky  | 40219      | 502-961-9793   |
| Bosie's Enterprises, Inc.                     | Space #1195                       | Louisville   | Kentucky  | 40207      | 502-893-4800   |
| Bosie's Enterprises, Inc.                     | 5000 Shelbyville Road             | Louisville   | Kentucky  | 40207-3342 | 502-894-4404   |
| Bosie's Enterprises, Inc.                     | 5101 Hinkleville Road             | Paducah      | Kentucky  | 42001      | 270-442-0868   |
| Tweed-Hardesty LLC                            | 2500 Wayne Sullivan Drive         | Paducah      | Kentucky  | 42003      | 502-510-2306   |
| CHESTNUT LAND COMPANY                         | 1155 Buck Creek Rd (Spc F623)     | Simpsonville | Kentucky  | 40067      | (502) 405-1055 |
| REAVES ENTERPRISES, INC.                      | 3437 Masonic Dr Spc 1522          | Alexandria   | Louisiana | 71301      | 318-449-9515   |
| Fresh Dining Concepts LLC                     | 6401 Bluebonnet Blvd              | Baton Rouge  | Louisiana | 70836      | 2257670088     |
| Fresh Dining Concepts LLC                     | 6401 Bluebonnet Blvd              | Baton Rouge  | Louisiana | 70836      | 888-484-5450   |
| Ramzan Ali                                    | 10200 Sullivan Rd.                | Baton Rouge  | Louisiana | 70818      | 225-421-1590   |
| Desjane Smith                                 | 357 Boardwalk Blvd                | Bossier City | Louisiana | 71111      | 318-588-5079   |
| X5 HOLDINGS, LLC                              | 2536 Airline Dr                   | Bossier City | Louisiana | 71111      | 318-747-9990   |
| Teresa Tran, LLC                              | 197 Westbank Expressway           | Gretna       | Louisiana | 70056      | 504-362-9200   |
| Houma Pretzel Co., L.L.C.                     | 5953 West Park Ave Spc 3037       | Houma        | Louisiana | 70364      | 985-223-0406   |
| Host International, Inc.                      | 900 Airline Drive                 | Kenner       | Louisiana | 70062      | 240-694-4653   |
| KENDALL PRETZEL CORPORATION                   | 5725 Johnston St                  | Lafayette    | Louisiana | 70503      | 337-984-1898   |
| R&M Restaurants LLC                           | 664 W Prien Lake Rd               | Lake Charles | Louisiana | 70601      | 337-477-6011   |
| Tres Bon L.L.C.                               | 3301 Veterans Memorial Blvd       | Metairie     | Louisiana | 70002      | 504-219-1284   |
| RCD Investments of Louisiana, L.L.C.          | 4700 Milhaven Rd                  | Monroe       | Louisiana | 71203      | 318-325-5511   |
| KS Golden Star, Inc.                          | 500 Port of New Orleans Place #50 | New Orleans  | Louisiana | 70130      | (504) 598-5300 |
| AREAS USA MDTP, LLC                           | Maryland House Plaza I-95 MM82    | Aberdeen     | Maryland  | 21001      | 443-681-2103   |
| Sky's The Limit of Maryland, Inc.             | 1420 Annapolis Mall               | Annapolis    | Maryland  | 21401      | 410-573-0870   |
| Sky's The Limit of Maryland, Inc.             | 2002 Annapolis Mall               | Annapolis    | Maryland  | 21401      | 410.573.0870   |
| Pritpal Singh                                 | 3601 Washington Blvd              | Arbutus      | Maryland  | 21227      | 410-247-9013   |

| Franchisee                           | Address                                       | City            | State    | Zip        | Telephone      |
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| ERINJOE, INC.                        | Northpoint Blvd & Eastern Ave                 | Baltimore       | Maryland | 21224      | 410-282-5469   |
| Impeccable Bakes Baltimore Inc.      | 6901 Security Blvd                            | Baltimore       | Maryland | 21244      | 443-348-7234   |
| Impeccable Bakes Baltimore Inc.      | 6901 Security Blvd                            | Baltimore       | Maryland | 21244      | 410-298-5242   |
| MAA Pretzels, Inc.                   | 2301 Liberty Heights Ave                      | Baltimore       | Maryland | 21215      | 410-225-3357   |
| Sky's The Limit of Maryland, Inc.    | BAA MD-BWI Airport                            | Baltimore       | Maryland | 21240      | 410-859-5151   |
| Sky's The Limit of Maryland, Inc.    | BAA MD-BWI Airport                            | Baltimore       | Maryland | 21240      | 410-850-7008   |
| Sky's The Limit of Maryland, Inc.    | BAA MD-BWI Airport                            | Baltimore       | Maryland | 21240      | 410-859-8240   |
| Twist & Shout, LLC                   | 7107 Democracy Blvd                           | Bethesda        | Maryland | 20817      | 301-503-1925   |
| Adewale Soniregun                    | 3300 NW Crain Hwy                             | Bowie           | Maryland | 20716      | (301) 464-8135 |
| Fifth Investment CB, LLC             | Interstate 270 West, south of Clarksburg Road | Clarksburg      | Maryland | 20871      | 301-540-7320   |
| Sky's The Limit of Maryland, Inc.    | 10300 Little Patuxent Pkwy                    | Columbia        | Maryland | 21044-3341 | 410-730-8080   |
| Sky's The Limit of Maryland, Inc.    | 10300 Little Patuxent Pkwy                    | Columbia        | Maryland | 21044-3341 | 3015809785     |
| Sky's The Limit of Maryland, Inc.    | 10300 Little Patuxent Pkwy                    | Columbia        | Maryland | 21044      | 4107308080     |
| Chandrakant Patel                    | 1811 Monocacy Blvd                            | Frederick       | Maryland | 21701      | 301-695-7580   |
| ERINJOE, INC.                        | 5500 Buckeystown Pike                         | Frederick       | Maryland | 21703      | 301-682-9027   |
| Makhan Matharu                       | 7400 Guilford Dr                              | Frederick       | Maryland | 21704      | 301-668-1214   |
| Impeccable Bakes Glen Burnie Inc.    | 7900 Governor Ritchie Highway                 | Glen Burnie     | Maryland | 21061      | 410-582-9350   |
| M & M Ventures, Inc.                 | 6721 Chesapeake Center Dr                     | Glen Burnie     | Maryland | 21060      | 410-760-6411   |
| Froot Werks, LLC                     | 1816 Woodlawn Dr                              | Gwynn Oak       | Maryland | 21207      | (410) 978-5441 |
| ERINJOE, INC.                        | 17301 Valley Mall Rd                          | Hagerstown      | Maryland | 21740      | 301-582-3045   |
| M & M Ventures, Inc.                 | 487 Premium Outlets Blvd                      | Hagerstown      | Maryland | 21740      | 301-766-9242   |
| Drashti Patel, Gautam Patel          | 1 Frankel Way                                 | Hunt Valley     | Maryland | 21030      | 410-683-2007   |
| PRINCE GEORGE'S PLAZA PRETZELS, INC. | East West Hwy & Belcrest Rd                   | Hyattsville     | Maryland | 20782      | 301-853-2206   |
| Mohammed Haque                       | 6210 Annapolis Rd                             | Landover        | Maryland | 20784      | 301-322-7979   |
| Impeccable Bakes Cumberland Inc.     | 1262 Vocke Rd Sp 124                          | LaVale          | Maryland | 21502      | 301-729-1462   |
| Annapolis Pretzels, LLC              | 6800 Oxon Hill Road                           | National Harbor | Maryland | 20745      | 301-839-3704   |
| AREAS USA MDTP, LLC                  | John F. Kennedy Hwy, MM 965                   | North East      | Maryland | 21901      | 443-674-1863   |

| Franchisee                 | Address                                  | City           | State         | Zip        | Telephone      |
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| Riyad Omar                 | 901 North Atlantic Avenue - Boardwalk    | Ocean City     | Maryland      | 21842      | 410-289-1040   |
| Riyad Omar                 | 10 N. Atlantic Ave.                      | Ocean City     | Maryland      | 21842      | 410-390-7081   |
| Twisted Guys Pretzels, LLC | 100 Outlet Center Dr                     | Queenstown     | Maryland      | 21658      | 410-827-7717   |
| Chandler Twist II, Inc.    | 2300 N Salisbury Blvd                    | Salisbury      | Maryland      | 21801      | 410-639-5002   |
| Pretzel Bons, Inc.         | 2300 N Salisbury Blvd, Ste H111          | Salisbury      | Maryland      | 21801      | (443) 736-4473 |
| Rozilla Durrani            | 407 George Claus Boulevard               | Severn         | Maryland      | 21144      | 410-424-4445   |
| Milzels, LLC               | 8661 Colesville Road                     | Silver Springs | Maryland      | 20910      | 301-587-7000   |
| Yunus Thakur, Hazera Rina  | Attn: Subway/Auntie Anne's Store Manager | Sykesville     | Maryland      | 21784      | 410-552-1215   |
| Well Food Inc.             | 3737 Branch Ave.                         | Temple Hills   | Maryland      | 20748      | 301-702-0001   |
| TAA Pretzels LLC           | 825 Dulaney Valley Road                  | Towson         | Maryland      | 21204      | 410-821-7688   |
| FOURTH INVESTMENT, LTD.    | PO Box 6163                              | Waldorf        | Maryland      | 20603      | 301-870-7332   |
| Amsher Enterprises, Inc.   | 400 N Center St                          | Westminster    | Maryland      | 21157      | 410-848-5634   |
| WT Pretzels LLC            | 11160 Veirs Mill Rd, Spc H-10            | Wheaton        | Maryland      | 20902      | 301-962-3100   |
| KPB Pretzels, LLC          | 585 South Bridge St                      | Auburn         | Massachusetts | 01501      | 508-832-7064   |
| Fresh Dining Concepts LLC  | #2 South Station                         | Boston         | Massachusetts | 02108-     | 617-330-9799   |
| TENDITONG, Inc.            | 250 Granite St Ste 2134                  | Braintree      | Massachusetts | 02184      | 781-849-1937   |
| YTAZ Corporation           | 200 Westgate Dr Ste E115                 | Brockton       | Massachusetts | 02301-1831 | 508-583-9233   |
| McDonald's Corp.           |  | Charlton       | Massachusetts |            | 508-248-0517   |
| McDonald's Corp.           | P O Box 426                              | Charlton City  | Massachusetts | 01508      | 508-248-0517   |
| L & C Pretzels, Inc.       | 157 N Dartmouth Mall                     | Dartmouth      | Massachusetts | 02747      | 508-994-5500   |
| YTAZ Corporation           | 769 Iyannough Road                       | Hyannis        | Massachusetts | 02601      | 7744706352     |
| JPHV LLC                   | 100 Commercial Way                       | Leominster     | Massachusetts | 01453      | 978-840-1852   |
| KPB Pretzels, LLC          | 601 Donald Lynch Blvd                    | Marlborough    | Massachusetts | 01752      | 508-303-2999   |



| Franchisee                   | Address                      | City             | State         | Zip   | Telephone      |
|------------------------------|------------------------------|------------------|---------------|-------|----------------|
| NATICK PRETZEL FACTORY, INC. | 1245 Worcester Street        | Natick           | Massachusetts | 01760 | 508-650-0940   |
| NATICK PRETZEL FACTORY, INC. | 1245 Worcester Street        | Natick           | Massachusetts | 01760 | 508-318-5609   |
| LA CIMA, INC.                | 332 Emerald Square           | North Attleboro  | Massachusetts | 02760 | 508-643-0856   |
| Pilot Travel Centers LLC     | 400 Haynes Street            | Sturbridge       | Massachusetts | 01566 | 508-347-9104   |
| McDonald's Corp.             |                              | Westborough      | Massachusetts |       | 508-248-0517   |
| Wrentham Food Systems, LLC   | One Premium Outlet Blvd      | Wrentham         | Massachusetts | 02093 | 508-384-2237   |
| Ahmed Abdaljawad             | 3565 Fairlane Dr             | Allen Park       | Michigan      | 48101 | 313-520-4939   |
| Chestnut Land Company        | 261 Briarwood Circle         | Ann Arbor        | Michigan      | 48108 | 734-213-5410   |
| Chestnut Land Company        | 100 Briarwood Circle         | Ann Arbor        | Michigan      | 48108 | 734-223-5475   |
| CHESTNUT LAND COMPANY        | 4614 Baldwin Rd, Spc 935     | Auburn Hills     | Michigan      | 48326 | 248-874-1170   |
| Chestnut Land Company        | 4614 Baldwin Road            | Auburn Hills     | Michigan      | 48326 | 248-365-2312   |
| His Majesty's Work II, Inc.  | 5775 Beckley Rd, Spc 239     | Battle Creek     | Michigan      | 49015 | 269-979-2366   |
| Chestnut Land Company        | 350 84th Str SW              | Byron Center     | Michigan      | 49315 | (616) 277-1023 |
| CHESTNUT LAND COMPANY        | 17330 Hall Rd, Ste 198       | Clinton Township | Michigan      | 48038 | 586-263-5587   |
| His Majesty's Work III, Inc. | 18900 Michigan Ave           | Dearborn         | Michigan      | 48126 | 313-441-1905   |
| ABBASCO, LLC                 | 23300 Ford Road (Commissary) | Dearborn Heights | Michigan      | 48127 | (313) 522-4333 |
| His Majesty's Work, Inc.     | 3279 S Linden Rd             | Flint            | Michigan      | 48507 | 810-732-5685   |
| VJ & O'Neal Enterprises, LLC | 4350 24th Ave                | Fort Gratiot     | Michigan      | 48059 | 810-385-6910   |
| CHESTNUT LAND COMPANY        | 3195 28th Str SE Spc P106    | Grand Rapids     | Michigan      | 49512 | 616-464-5810   |
| Chestnut Land Company        | 3195 28th St.                | Grand Rapids     | Michigan      | 49512 | 616-202-5966   |
| Karemor, Inc.                | 5330 W Saginaw Hwy Spc 5278  | Lansing          | Michigan      | 48917 | 517-323-3042   |
| VJ & O'Neal Enterprises, LLC | 37700 West Six Mile Rd       | Livonia          | Michigan      | 48152 | 734-953-6616   |
| Cedar Fair, L.P.             | 4750 Whitehall Rd            | Muskegon         | Michigan      | 49445 | 231-766-3377   |
| Chestnut Land Company        | 5600 Harvey St Suite 2094    | Muskegon         | Michigan      | 49444 | 231-798-8001   |
| Chestnut Land Company        | 27204 Novi Rd                | Novi             | Michigan      | 48377 | 248-679-4398   |

| Franchisee                           | Address                           | City             | State       | Zip        | Telephone      |
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| Chestnut Land Company                | 27470AB Novi Rd                   | Novi             | Michigan    | 48377-3412 | 248-513-3644   |
| Karemor, Inc.                        | 1982 W Grand River Ave Spc K15    | Okemos           | Michigan    | 48864      | 517-347-2438   |
| Destinee' II, Inc.                   | 6650 S Westnedge Ave              | Portage          | Michigan    | 49024      | 269-324-3117   |
| V & J CENTER, LLC                    | 32182 Beaconsfield                | Roseville        | Michigan    | 48066      | 586-415-0601   |
| VJ & O'Neal Enterprises, LLC         | 4787 Fashion Square Mall, Ste 214 | Saginaw          | Michigan    | 48604      | 989-790-3169   |
| His Majesty's Work IV, Inc.          | 14000 Lakeside Cir, Spc # 1475    | Sterling Heights | Michigan    | 48313      | 586-532-6380   |
| V & J CENTER, LLC                    | 23000 Eureka Road                 | Taylor           | Michigan    | 48180      | 734-288-3485   |
| Chestnut Land Company                | 3200 S Airport Rd West            | Traverse City    | Michigan    | 49684      | 231-929-3009   |
| Uncle Home's Pretzel, LLC            | 662 W Fourteen Mile Rd            | Troy             | Michigan    | 48083      | 248-307-1890   |
| Fresh Dining Concepts LLC            | 344 Northtown Dr NE               | Blaine           | Minnesota   | 55434      | 763-786-0505   |
| Fresh Dining Concepts LLC            | 60 East Broadway Spc N366         | Bloomington      | Minnesota   | 55425      | 952-854-7602   |
| Fresh Dining Concepts LLC            | 60 East Broadway Spc N366         | Bloomington      | Minnesota   | 55425      | 952-851-0076   |
| Fresh Dining Concepts LLC            | 3925 Eagan Outlet Pkwy, Spc #945  | Eagan            | Minnesota   | 55122      | 651-452-8118   |
| VJ & O'Neal Enterprises, LLC         | 8251 Flying Cloud Drive           | Eden Prairie     | Minnesota   | 55344      | 952-941-7650   |
| Fresh Dining Concepts LLC            | 12363 Wayzata Blvd                | Minnnetonka      | Minnesota   | 55305      | 952-593-5930   |
| V & J CENTER, LLC                    | 101 First Avenue SW               | Rochester        | Minnesota   | 55902      | 507-281-1233   |
| Fresh Dining Concepts LLC            | 10 Rosedale Center                | Roseville        | Minnesota   | 55113      | 651-633-0787   |
| Cedar Fair, L.P.                     | One Valleyfair Dr                 | Shakopee         | Minnesota   | 55379-3098 | 952-496-5323   |
| AREAS AERO MSP JV, LLC               | 4300 Glumack Drive                | St. Paul         | Minnesota   | 55111      | 612-365-5833   |
| Host International, Inc.             | 4300 Glumack Drive                | St. Paul         | Minnesota   | 55111      | 612-365-5833   |
| RCD Investments of Louisiana, L.L.C. | 2600 Beach Blvd                   | Biloxi           | Mississippi | 39531      | 228-388-3805   |
| Rosario Enterprises LLC              | 3615 Sangani Blvd                 | D'Iberville      | Mississippi | 39532      | 228-392-6666   |
| Impeccable Bakes Hattiesburg Inc.    | 1000 Turtle Creek Dr              | Hattiesburg      | Mississippi | 39402      | (601) 450-8730 |
| Tushar Patel                         | 3911 Bienville Blvd               | Ocean Springs    | Mississippi | 39564      | 228-875-1833   |
| Chestnut Land Company                | 5205 Airways Blvd, Spc 960        | Southaven        | Mississippi | 38671      | (662)-772-5900 |
| Fresh Baked Branson, LLC             | 307 Branson Landing Blvd          | Branson          | Missouri    | 65616      | 417-334-3730   |
| Glaubius Enterprises, LLC            | 2300 Bernadette Drive             | Columbia         | Missouri    | 65203      | 573.445.3039   |

| Franchisee                  | Address                              | City              | State    | Zip   | Telephone      |
|-----------------------------|--------------------------------------|-------------------|----------|-------|----------------|
| Fresh Dining Concepts LLC   | 165 West County Center               | Des Peres         | Missouri | 63131 | 314-821-7685   |
| Fresh Dining Concepts LLC   | 80 West County Center                | Des Peres         | Missouri | 63131 | 314-909-1181   |
| VRAJ VASI, LLC              | Auntie Anne's #MO128                 | Fort Leonard Wood | Missouri | 65473 | 573-329-2070   |
| Mehul Patel, Bakul Patel    | 7207 North M-1 Highway               | Gladstone         | Missouri | 64119 | (816) 420-3010 |
| Fresh Dining Concepts LLC   | 2054 Independence Ctr Dr             | Independence      | Missouri | 64057 | 816-795-7737   |
| Fresh Dining Concepts LLC   | 235 Independence Center Drive        | Independence      | Missouri | 64057 | 816-795-1098   |
| V&Y LLC                     | 3600 Country Club Drive              | Jefferson City    | Missouri | 65109 | 573-635-5167   |
| Joplin Pretzels, LLC        | 101 North Rangeline Rd               | Joplin            | Missouri | 64801 | 417-626-8688   |
| Cedar Fair, L.P.            | 4545 Worlds of Fun Avenue            | Kansas City       | Missouri | 64161 | 816-454-4545   |
| EHG Eats LLC                | 112 W. 47th Street                   | Kansas City       | Missouri | 64112 | 816-216-1087   |
| Fresh Dining Concepts LLC   | 777 Casino Center Rd                 | Maryland Heights  | Missouri | 63043 | (314) 298-2730 |
| Profitable Pretzels LLC     | 1481 Saint Louis Galleria            | Richmond Heights  | Missouri | 63117 | 314-438-5103   |
| Profitable Pretzels LLC     | 1095 Saint Louis Galleria            | Richmond Heights  | Missouri | 63117 | 314-828-6113   |
| Pilot Travel Centers LLC    | 4939 W Chestnut Expwy; I-44, Exit 72 | Springfield       | Missouri | 65802 | 417-864-4175   |
| Profitable Pretzels LLC     | 2825 S Glenstone Ave                 | Springfield       | Missouri | 65804 | 417-889-2211   |
| St. Joseph Pretzels, L.L.C. | 3702 Frederick Ave.                  | St. Joseph        | Missouri | 64506 | 8162595251     |
| Fresh Dining Concepts LLC   | 33 S County Center                   | St. Louis         | Missouri | 63129 | 314-892-3395   |
| Host International, Inc.    | 10701 Lambert Int'l Blvd             | St. Louis         | Missouri | 63145 | 314-429-3400   |
| Fresh Dining Concepts LLC   | 1600 Mid-Rivers Mall Dr              | St. Peters        | Missouri | 63376 | 636-970-2441   |
| S & P Owens, LLC            | 340 E. Olden Streret (Commissary)    | West Plains       | Missouri | 65775 | 417-372-5972   |
| Southgate Treats, Inc.      | 2901 Brooks Street                   | Missoula          | Montana  | 59801 | 509-869-1879   |
| Heartlands Pretzel III LLC  | 14333 Nebraska 31                    | Gretna            | Nebraska | 68028 | 402-332-5133   |
| Cheryl Conner, James Conner | 5411 N 2nd Ave                       | Kearney           | Nebraska | 68847 | 308-234-2720   |
| Heartlands Pretzel II, LLC  | 6100 O Str, Ste #276                 | Lincoln           | Nebraska | 68505 | 402-261-6611   |
| Heartlands Pretzel, LLC     | 10000 California Street, Space #5570 | Omaha             | Nebraska | 68104 | 402-390-2025   |
| 4J&M Foods LLC              | 2300 Paseo Verde Pkwy                | Henderson         | Nevada   | 89052 | 702-489-4281   |
| Fresh Dining Concepts LLC   | 1300 W Sunset Rd                     | Henderson         | Nevada   | 89014 | 7028550105     |

| Franchisee                                    | Address   | City            | State         | Zip   | Telephone      |
|---|---|-----------------|---------------|-------|----------------|
| 4J&M Foods LLC                                | 11011 W Charleston Blvd                                   | Las Vegas       | Nevada        | 89135 | 702-233-3462   |
| Dough Knot, LLC                               | 3850 Las Vegas Blvd South                                 | Las Vegas       | Nevada        | 89109 | 702-736-5235   |
| Dough Knot, LLC                               | 2880 Las Vegas Blvd S                                     | Las Vegas       | Nevada        | 89109 | 702-733-9924   |
| Fresh Dining Concepts LLC                     | 3663 Las Vegas Blvd                                       | Las Vegas       | Nevada        | 89109 | 702-733-1431   |
| Fresh Dining Concepts LLC                     | 3200 Las Vegas Blvd Spc 5534                              | Las Vegas       | Nevada        | 89109 | 702-791-0077   |
| Fresh Dining Concepts LLC                     | 7400 Las Vegas Blvd Unit C-2                              | Las Vegas       | Nevada        | 89123 | 702-293-2600   |
| Fresh Dining Concepts LLC                     | 4300 Meadows Lane   | Las Vegas       | Nevada        | 89107 | 702-258-7644   |
| Fresh Dining Concepts LLC                     | 4300 Meadows Lane #10                                     | Las Vegas       | Nevada        | 89107 | 702-258-7644   |
| Fresh Dining Concepts LLC                     | 3200 Las Vegas Blvd                                       | Las Vegas       | Nevada        | 89109 | 702-791-0077   |
| Fresh Dining Concepts LLC                     | 3377 S Las Vegas Blvd                                     | Las Vegas       | Nevada        | 89109 | 702-382-0065   |
| JV VENTURES                                   | 875 S Grand Central Pkwy                                  | Las Vegas       | Nevada        | 89106 | 702-388-4130   |
| JV VENTURES                                   | Auntie Anne's Terminal C                                  | Las Vegas       | Nevada        | 89119 | 702-261-7052   |
| JV VENTURES                                   | 875 S. Grand Central Parkway                              | Las Vegas       | Nevada        | 89106 | 702-388-4130   |
| JV VENTURES                                   | 875 S Grand Central Pkwy, Bldg 775, Ste 1320 (Commissary) | Las Vegas       | Nevada        | 89106 | 702-324-8901   |
| JV VENTURES                                   | Attn: Store Manager                                       | North Las Vegas | Nevada        | 89032 | 702-261-7051   |
| Dostana Group LLC                             | 5000 #1 Meadowood Mall                                    | Reno            | Nevada        | 89502 | 775-360-3041   |
| Four Corner Concessions, LLC                  | 1500 S Willow St  | Manchester      | New Hampshire | 03103 | 603-641-6550   |
| CHESTNUT LAND COMPANY                         | 80 Premium Outlets Blvd                                   | Merrimack       | New Hampshire | 03054 | 603-424-6665   |
| Four Corner Concessions, LLC                  | 310 Daniel Webster Hwy                                    | Nashua          | New Hampshire | 03060 | 603-888-0407   |
| CHESTNUT LAND COMPANY                         | 99 Rockingham Park Blvd                                   | Salem           | New Hampshire | 03079 | 603-890-5344   |
| Applegreen NJ Welcome Centres LLC             | 413 Garden State Pkwy                                     | Absecon         | New Jersey    | 08240 | 609-954-4081   |
| Sachin Patel                                  | 130 Black Horse Pike                                      | Audubon         | New Jersey    | 08106 | (856) 672-0055 |
| GLOUCESTER PRETZELS LIMITED LIABILITY COMPANY | 100 Premium Outlets Dr, Spc #475                          | Blackwood       | New Jersey    | 08012 | 856-221-8734   |
| Bhikhabhui (Bobby) Patel                      | 1130 Highway 77   | Bridgeton       | New Jersey    | 08302 | 856-453-0418   |
| Fresh Dining Concepts LLC                     | 400 Commons Way, Ste 3292                                 | Bridgewater     | New Jersey    | 08807 | 888-484-5450   |

| Franchisee                        | Address                                | City              | State      | Zip   | Telephone    |
|-----------------------------------|--|-------------------|------------|-------|--------------|
| Applegreen NJ Welcome Centres LLC | NJ Turnpike, Mile Marker 30.2S         | Cherry Hill       | New Jersey | 08034 | 609-954-4081 |
| Cherry Hill Twist, LLC            | 514 Cherry Hill Mall                   | Cherry Hill       | New Jersey | 08002 | 856-662-8322 |
| Cherry Hill Twist, LLC            | 514 Cherry Hill Mall                   | Cherry Hill       | New Jersey | 08002 | 856-488-1097 |
| Neha Ghotra                       | 500 Route 38                           | Cherry Hill       | New Jersey | 08002 | 856-665-0533 |
| Applegreen NJ Welcome Centres LLC | 15-17 Simpson Rd                       | Columbia          | New Jersey | 07832 | 609-954-4081 |
| Applegreen NJ Welcome Centres LLC | Milepost 71.7 South NJ Turnpike        | Cranbury Township | New Jersey | 08512 | 609-954-4081 |
| G.M.S. ENTERPRISES, INC.          | 1750 Deptford Center Rd                | Deptford          | New Jersey | 08096 | 856-845-3667 |
| G.M.S. ENTERPRISES, INC.          | 1750 Deptford Center                   | Deptford          | New Jersey | 08096 | 609-213-0983 |
| Applegreen NJ Welcome Centres LLC | New Jersey Turnpike                    | East Brunswick    | New Jersey | 08816 | 732-385-4002 |
| Creative Snacks Inc.              | 755 State Hwy 18 Suite 778A            | East Brunswick    | New Jersey | 08816 | 732-432-9919 |
| Monmouth Ventures LLC             | 180 State Road 35 South                | Eatontown         | New Jersey | 07724 | 732-380-7916 |
| Fresh Dining Concepts LLC         | 363 Menlo Park Mall Drive              | Edison            | New Jersey | 08837 | 888-484-5450 |
| Fresh Dining Concepts LLC         | 100 Menlo Park                         | Edison            | New Jersey | 08837 | 888-484-5450 |
| Himanshu Patel                    | 2220 Route 27                          | Edison            | New Jersey | 08817 | 732-248-0031 |
| Fresh Dining Concepts LLC         | 651 Kapkowski Spc 2258                 | Elizabeth         | New Jersey | 07201 | 908-820-4315 |
| Fresh Dining Concepts LLC         | 651 Kapkowski Spc 1430                 | Elizabeth         | New Jersey | 07201 | 740-817-2828 |
| Nirav Patel, Chintan Patel        | 326 W Main St                          | Freehold          | New Jersey | 07728 | 7324622533   |
| Waverly Ventures LLC              | 3710 Route 9, Space F-200              | Freehold          | New Jersey | 07728 | 732-780-9024 |
| Nirav Patel                       | 1700 Nottingham Way                    | Hamilton          | New Jersey | 08619 | 609-890-9200 |
| Yogendra Gohel, Dharmesh Patel    | 700 Market Place Blvd                  | Hamilton          | New Jersey | 08620 | 609-581-6800 |
| Fresh Dining Concepts LLC         | 30 Mall Dr                             | Jersey City       | New Jersey | 07310 | 201-222-9292 |
| Fresh Dining Concepts LLC         | 30 Mall Drive                          | Jersey City       | New Jersey | 07310 | 201-222-9292 |
| KARMAS1 LLC                       | 146 Quaker Bridge Mall                 | Lawrenceville     | New Jersey | 08648 | 609-799-5500 |
| KARMAS1 LLC                       | 2110 Quaker Bridge Mall                | Lawrenceville     | New Jersey | 08648 | 609-799-5500 |
| Chintan Patel, Nirav Patel        | Subway/Auntie Anne's (Inside Wal-Mart) | Little Egg Harbor | New Jersey | 08087 | 609-294-9400 |
| Fresh Dining Concepts LLC         | 112 Eisenhower Pkwy                    | Livingston        | New Jersey | 07039 | 973-992-9122 |
| Kartik Patel                      | 150 Route 70 East                      | Marlton           | New Jersey | 08053 | 856-983-5637 |
| Hamilton Pretzel Factory, Inc.    | 4403 Black Horse Pike                  | Mays Landing      | New Jersey | 08330 | 609.383.3400 |

| Franchisee                                | Address                                      | City               | State      | Zip        | Telephone      |
|---|--|--------------------|------------|------------|----------------|
| Applegreen NJ Welcome Centres LLC         | Garden State Parkway - Milepost 171          | Montvale           | New Jersey | 07645      | 201-391-8509   |
| Three Angels Pretzels of Moorestown, Inc. | 400 Route 38, Spc 1080                       | Moorestown         | New Jersey | 08057-3295 | 856-722-0433   |
| Applegreen NJ Welcome Centres LLC         | 5 Hartford Road                              | Mt Laurel Township | New Jersey | 08054      | 609-954-4081   |
| ANYTIME DELIGHTS 1 LLC                    | 1 Raymond Plaza West & Market St             | Newark             | New Jersey | 07102      | 609-532-8734   |
| Healthy Food Concepts, L.L.C.             | Auntie Anne's                                | Newark             | New Jersey | 07114      | 973-624-1111   |
| LOCATIONS XX INC                          | 25 Lafayette St                              | Newark             | New Jersey | 07102      | 908-616-0529   |
| LOCATIONS XX INC                          | 25 Lafayette St                              | Newark             | New Jersey | 07102      | 908-696-8407   |
| The Grove, Inc.                           | Terminal A-1 Rotunda Satellite Unit          | Newark             | New Jersey | 07114      | 9735047095     |
| Pragnesh Shah, Sudhir Parikh              | 2100 88th St                                 | North Bergen       | New Jersey | 07047      | 201-758-1802   |
| Liberty Food Services, LLC                | 1078 Boardwalk                               | Ocean City         | New Jersey | 08226      | 856-217-1967   |
| Applegreen NJ Welcome Centres LLC         | Milepost 5.4 South NJ TP, 47 Clara Barton Ln | Penns Grove        | New Jersey | 08069      | 609-954-4081   |
| Applegreen NJ Welcome Centres LLC         | One John Fenwick Service Area                | Penns Grove        | New Jersey | 08069      | (859) 299-3607 |
| PRETZEL DOUGHBOY, INC.                    | 1300 US Hwy 22 East                          | Phillipsburg       | New Jersey | 08865      | 908-859-8188   |
| LOCATIONS XX INC                          | 1 Scarlet Knight Way                         | Piscataway         | New Jersey | 08854      | 732-933-8595   |
| LOCATIONS XX INC                          | 1 Scarlet Knight Way                         | Piscataway         | New Jersey | 08854      | 732-933-8595   |
| LOCATIONS XX INC                          | 1 Scarlet Knight Way                         | Piscataway         | New Jersey | 08854      | 732-933-8595   |
| LOCATIONS XX INC                          | 1 Scarlet Knight Way                         | Piscataway         | New Jersey | 08854      | 732-933-8595   |
| LOCATIONS XX INC                          | 1 Scarlet Knight Way                         | Piscataway         | New Jersey | 08854      | 732-933-8595   |
| LOCATIONS XX INC                          | 1 Scarlet Knight Way                         | Piscataway         | New Jersey | 08854      | 732-933-8595   |
| LOCATIONS XX INC                          | 1 Scarlet Knight Way                         | Piscataway         | New Jersey | 08854      | 732-933-8595   |
| LOCATIONS XX INC                          | 1 Scarlet Knight Way                         | Piscataway         | New Jersey | 08854      | 732-933-8595   |
| LOCATIONS XX INC                          | 1 Scarlet Knight Way                         | Piscataway         | New Jersey | 08854      | 732-933-8595   |
| LOCATIONS XX INC                          | 83 Rockafeller Rd                            | Piscataway         | New Jersey | 08854      | 732-933-8595   |
| LOCATIONS XX INC                          | 83 Rockafeller Rd                            | Piscataway         | New Jersey | 08854      | 732-933-8595   |
| LOCATIONS XX INC                          | 83 Rockafeller Rd                            | Piscataway         | New Jersey | 08854      | 732-933-8595   |
| LOCATIONS XX INC                          | 83 Rockafeller Rd                            | Piscataway         | New Jersey | 08854      | 732-933-8595   |

| Franchisee   | Address                                  | City          | State      | Zip   | Telephone      |
|--|--|---------------|------------|-------|----------------|
| LOCATIONS XX INC                                   | 83 Rockefeller Road                      | Piscataway    | New Jersey | 08854 | (908) 616-0529 |
| LOCATIONS XX INC                                   | 1 Scarlet Knight Way                     | Piscataway    | New Jersey | 08854 | (908) 616-0529 |
| Nirav Patel, Chintan Patel                         | 3159 Rte 9 South                         | Rio Grande    | New Jersey | 08242 | (609) 463-9700 |
| Parul Patel  | 48 NJ-23                                 | Riverdale     | New Jersey | 07457 | 9738730177     |
| PRETZEL DOUGHBOY II, INC.                          | 301 Mt. Hope Ave, Ste 1048               | Rockaway      | New Jersey | 07866 | 973-442-1898   |
| Kaizen LLC   | 11 43rd Street                           | Sea Isle City | New Jersey | 08243 | 609-263-2844   |
| Locations Short Hills AA LLC                       | 1200 Morris Turnpike                     | Short Hills   | New Jersey | 07078 | 973-314-8762   |
| Joseph DeLong                                      | 183 Breckenridge Drive                   | Sicklerville  | New Jersey | 08081 | 856-889-7918   |
| Naishad Patel, Julie Patel                         | 1 Cooperstown Boulevard                  | Somerdale     | New Jersey | 08083 | 856-784-6500   |
| Applegreen NJ Welcome Centres LLC                  | HMSHost Corporation                      | South Amboy   | New Jersey | 08879 | 609-954-4081   |
| The Grove, Inc.                                    | Marie Saintil / The Grove, Inc.          | Tenafly       | New Jersey | 07670 | 9732739304     |
| Three Angels Pretzels of Tinton Falls Incorporated | One Premium Outlets Blvd                 | Tinton Falls  | New Jersey | 07724 | 732-918-8819   |
| Fresh Dining Concepts LLC                          | 1201 Hooper Ave Spc 1024                 | Toms River    | New Jersey | 08753 | 732-254-4225   |
| Nirav Patel  | 950 Route 37 West                        | Toms River    | New Jersey | 08755 | 732-505-0330   |
| Anytime Delights LLC                               | 72 S. Clinton Ave.                       | Trenton       | New Jersey | 08609 | 6092780850     |
| Applegreen NJ Welcome Centres LLC                  | New Jersey Turnpike                      | Trenton       | New Jersey | 08620 | 609-585-1155   |
| Compass Group USA, Inc.                            | 1000 Morris Avenue                       | Union         | New Jersey | 07083 | 7328829376     |
| Bhadreshkumar Patel                                | Wal-Mart #3339                           | Vineland      | New Jersey | 08360 | 856-692-1930   |
| Richard Blickos, Aaron Sheppard                    | Routes 47 & 55                           | Vineland      | New Jersey | 08360 | 856-327-1767   |
| Applegreen NJ Welcome Centres LLC                  | MM 100 Garden State Pkwy                 | Wall Township | New Jersey | 07719 | 609-954-4081   |
| Jitendra Patel                                     | 1501 Route 22 West                       | Watchung      | New Jersey | 07069 | 908-768-1212   |
| Wildpretzels, LLC                                  | 2718 Boardwalk                           | Wildwood      | New Jersey | 08260 | 856-889-7918   |
| Bhadreshkumar Patel                                | 1840 S Black Horse Pike                  | Williamstown  | New Jersey | 08094 | 856-728-0651   |
| Applegreen NJ Welcome Centres LLC                  | Between Interchange 11 and 12 Northbound | Woodbridge    | New Jersey | 07095 | 732-636-1292   |
| Applegreen NJ Welcome Centres LLC                  | New Jersey Turnpike                      | Woodbridge    | New Jersey | 07095 | 732-750-8779   |
| D.M. DIVERSIFIED, INC.                             | 415 Woodbridge Center Dr                 | Woodbridge    | New Jersey | 07095 | 732-283-0102   |
| D.M. DIVERSIFIED, INC.                             | 415 Woodbridge Center Drive              | Woodbridge    | New Jersey | 07095 | 732-283-1566   |
| Himanshu Patel                                     | 306 US Highway 9 North                   | Woodbridge    | New Jersey | 07095 | 732-826-0123   |

| Franchisee                                  | Address                     | City           | State      | Zip   | Telephone      |
|---|-----------------------------|----------------|------------|-------|----------------|
| SoLarr Corp.                                | 10000 Coors Bypass          | Albuquerque    | New Mexico | 87114 | 505-792-1829   |
| SoLarrStar LLC                              | 6600 Menaul Blvd NE         | Albuquerque    | New Mexico | 87110 | 505-888-1915   |
| Fareys LLC                                  | 4601 East Main Street       | Farmington     | New Mexico | 87402 | 903-253-5110   |
| NM Delights, LLC                            | 700 South Telshor Blvd      | Las Cruces     | New Mexico | 88011 | 575-532-1378   |
| Pilot Travel Centers LLC                    | 2464 Historic Route 66      | Santa Rosa     | New Mexico | 88435 | 575-472-7200   |
| Lawrence (Larry) Jasenski, Jr.              | 279 Madison Ave.            | Albany         | New York   | 12242 | 518-818-0140   |
| Trifecta Concessions LLC                    | 131 Colonie Center, Ste 154 | Albany         | New York   | 12205 | 518-435-0295   |
| Trifecta Concessions LLC                    | Sp K103                     | Albany         | New York   | 12203 | 518-452-2709   |
| VJ & O'Neal Enterprises, LLC                | K14 Boulevard Mall          | Amherst        | New York   | 14226 | 716-834-4010   |
| Angola Foods, LLC                           | Auntie Anne's #NY189        | Angola         | New York   | 14006 | 716-903-0767   |
| David Liseno, Joseph Liseno, William Liseno | 297 Grant Ave               | Auburn         | New York   | 13021 | 315-252-6963   |
| Perfect Dough Bakery Corp.                  | 1701 Sunrise Highway        | Bay Shore      | New York   | 11706 | (631) 665-6175 |
| Perfect Dough Bakery Corp.                  | 1701 Sunrise Highway        | Bayshore       | New York   | 11706 | 631-665-6175   |
| V & J CENTER, LLC                           | 120 McKinley Mall           | Blasdell       | New York   | 14219 | 716-821-0022   |
| 2 Sweet of Yonkers Inc.                     | 5532 Broadway               | Bronx          | New York   | 10463 | 718-548-2200   |
| Conway Retail Franchise #1 LLC              | 2857 Third Ave.             | Bronx          | New York   | 10455 | 3479639956     |
| Dough Shapers, LLC                          | 200 Baychester Ave.         | Bronx          | New York   | 10475 | 718-671-6710   |
| Pretzel Bender LLC                          | 200 Baychester Avenue       | Bronx          | New York   | 10475 | (516) 729-0848 |
| 1223 SURF LLC                               | 1223 Surf Ave.              | Brooklyn       | New York   | 11224 | 347-462-3059   |
| Atlantic Center Pretzel, Inc.               | 625 Atlantic Avenue         | Brooklyn       | New York   | 11201 | 718-398-4390   |
| Atlantic Center Pretzel, Inc.               | 625 Atlantic Ave            | Brooklyn       | New York   | 11201 | 718-789-5100   |
| AUNTIEBON786 CORP.                          | 1570 Flatbush Ave.          | Brooklyn       | New York   | 11210 | 845-310-4083   |
| KP Pretzels LLC                             | 5100 King's Plaza, Ste #135 | Brooklyn       | New York   | 11234 | (718) 692-2200 |
| Nathans Famous of Lynbrook, Inc.            | 1205 Boardwalk              | Brooklyn       | New York   | 11224 | 718-714-7207   |
| VJ & O'Neal Enterprises, LLC                | 64 Galleria Dr Spc B103     | Buffalo        | New York   | 14225 | 716-683-6189   |
| VJ & O'Neal Enterprises, LLC                | 64 Galleria Dr              | Buffalo        | New York   | 14225 | 716-683-0055   |
| GF Pretzels, LLC                            | 498 Red Apple Court         | Central Valley | New York   | 10917 | 845-928-6779   |
| 2 Sweet of Yonkers Inc.                     | 918 Tanger Outlet Mall      | Deer Park      | New York   | 11729 | 631-243-7815   |
| 2 Sweet of Yonkers Inc.                     | 40-24 College Point Blvd    | Flushing       | New York   | 11354 | 718-886-5751   |



| Franchisee                         | Address                      | City               | State    | Zip   | Telephone      |
|------------------------------------|------------------------------|--------------------|----------|-------|----------------|
| Fresh Dining Concepts LLC          | Roosevelt Field Mall         | Garden City        | New York | 11530 | 888-484-5450   |
| Fresh Dining Concepts LLC          | 640 Old Country Rd           | Garden City        | New York | 11530 | 888-484-5450   |
| Fresh Dining Concepts LLC          | 630 Old Country Rd           | Garden City        | New York | 11530 | 5167413490     |
| Jyotindra Patel                    | 200 Dutch Meadows Lane       | Glenville          | New York | 12302 | 518-344-7011   |
| Fresh Dining Concepts LLC          | 358 Broadway Mall            | Hicksville         | New York | 11801 | 888-484-5450   |
| Trifecta Concessions LLC           | 3300 Chambers Rd             | Horseheads         | New York | 14845 | 607-739-1045   |
| RTAB LLC                           | 160 Walt Whitman Road        | Huntington Station | New York | 11746 | 631-424-0990   |
| Trifecta Concessions LLC           | 40 Catherwood Road           | Ithaca             | New York | 14850 | 6073194290     |
| D. Dow, Inc.                       | 601-635 Harry L. Dr, Ste #17 | Johnson City       | New York | 13790 | 607-770-1228   |
| Georgine Shulman, Jake A. Williams | 211 Canada Street            | Lake George        | New York | 12845 | (516) 298-2534 |
| D & J Pretzel, Inc.                | 313 Smith Haven Mall         | Lake Grove         | New York | 11755 | 5162861886     |
| D & J Pretzel, Inc.                | 313 Smith Haven Mall         | Lake Grove         | New York | 11755 | 5162861886     |
| Perfect Dough Bakery Corp.         | 35 Sunrise Mall              | Massapequa         | New York | 11758 | 516-797-8916   |
| Perfect Dough Bakery Corp.         | One Sunrise Mall             | Massapequa         | New York | 11758 | 516-797-8916   |
| Devendra Patel                     | 470 Route 211 East           | Middletown         | New York | 10940 | 845-343-7827   |
| Jagdish Patel                      | 288 Larkin Blvd              | Monroe             | New York | 10950 | 845-782-6609   |
| New Hartford 108 LLC               | Route 5 & 5A                 | New Hartford       | New York | 13413 | 315-797-4717   |
| New Hartford 108 LLC               | Route 5 and 5A               | New Hartford       | New York | 13413 | 315-733-8470   |
| 2 Sweet of Yonkers Inc.            | 200 Broadway                 | New York           | New York | 10038 | 212-566-3500   |
| 664 Eighth Ave 156 LLC             | 664 8th Ave                  | New York           | New York | 10036 | 212-764-1562   |
| Amit Sehgal                        | 4 South St                   | New York           | New York | 10004 | 631-574-7700   |
| Fresh Dining Concepts LLC          | 151 W 34th St                | New York           | New York | 10001 | 212-594-0018   |
| Sydney's Chew Choo, Inc.           | 688 Sixth Ave.               | New York           | New York | 10011 | 646-490-5019   |
| V & J CENTER, LLC                  | 1900 Military Road           | Niagara Falls      | New York | 14304 | 716-297-2176   |
| VJ & O'Neal Enterprises, LLC       | 1926 Military Rd             | Niagara Falls      | New York | 14304 | 716-524-3035   |
| Melissa Sotir                      | 3900 State Route 14A         | Penn Yan           | New York | 14527 | 607-243-8650   |
| Craig Dame                         | 25 Consumer Sq               | Plattsburgh        | New York | 12901 | 518-324-4510   |
| Wood's Pretzels, Inc.              | 60 Smithfield Blvd.          | Plattsburgh        | New York | 12901 | 518-561-0033   |

| Franchisee                | Address                           | City             | State          | Zip   | Telephone      |
|---------------------------|-----------------------------------|------------------|----------------|-------|----------------|
| Trifecta Concessions LLC  | 2001 South Rd                     | Poughkeepsie     | New York       | 12601 | 845-297-2599   |
| Fresh Dining Concepts LLC | 90-15 Queens Blvd.                | Queens           | New York       | 11373 | 718-271-1756   |
| Wood's Pretzels, Inc.     | 578 Aviation Road                 | Queensbury       | New York       | 12804 | 518-761-4625   |
| 2 Sweet of Yonkers Inc.   | 61-35 Junction Blvd               | Rego Park        | New York       | 11374 | 718-699-7500   |
| 2 Sweet of Yonkers Inc.   | 8000 Cooper Ave                   | Ridgewood        | New York       | 11385 | 516-666-1100   |
| TAKE TOO INC.             | 200 Tanger Mall Drive             | Riverhead        | New York       | 11901 | 631-591-2379   |
| AA Greece LLC             | 376 Greece Ridge Center Dr        | Rochester        | New York       | 14626 | 585-227-5750   |
| AA Henrietta LLC          | 481 Miracle Mile Dr               | Rochester        | New York       | 14623 | 585-292-6360   |
| Trifecta Concessions LLC  | 3065 Route 50                     | Saratoga Springs | New York       | 12866 | 518-583-6912   |
| Fresh Dining Concepts LLC | 2655 Richmond Ave                 | Staten Island    | New York       | 10314 | 888-484-5450   |
| A.M.A. Pretzels XXX Inc.  | 9677 Destiny USA Drive            | Syracuse         | New York       | 13204 | 315-466-4012   |
| A.M.A. Pretzels XXX Inc.  | 9090 Destiny USA Drive            | Syracuse         | New York       | 13204 | 315-466-4012   |
| A.M.A. Pretzels VI, Inc.  | 1129 Green Acres Mall, Space #K01 | Valley Stream    | New York       | 11581 | 516-593-0440   |
| A.M.A. Pretzels VI, Inc.  | 2034 West Circle Drive            | Valley Stream    | New York       | 11581 | 516-593-0440   |
| AA Victor LLC             | 714 Eastview Mall Dr              | Victor           | New York       | 14564 | 585-223-9610   |
| Wood's Pretzels, Inc.     | 21182 Salmon Run Mall Loop W      | Watertown        | New York       | 13601 | 315-782-0794   |
| AA Palisades LLC          | 1000 Palisades Center Drive       | West Nyack       | New York       | 10994 | (845) 709-0836 |
| RTAB LLC                  | 125 Westchester Avenue #925       | White Plains     | New York       | 10601 | 914-328-3556   |
| WP Pretzel Co LLC         | 19 Mamaroneck Ave.                | White Plains     | New York       | 10601 | 845-527-8134   |
| WP Pretzel Co LLC         | 19 Mamaroneck Avenue              | White Plains     | New York       | 10601 | (845) 527-8134 |
| 2 Sweet of Yonkers Inc.   | 6 Mall Walk                       | Yonkers          | New York       | 10704 | 914-423-6300   |
| 2 Sweet of Yonkers Inc.   | 800 Mall Walk                     | Yonkers          | New York       | 10704 | 914-423-6200   |
| KVR Pretzel, Inc.         | 650 Lee Blvd, Spc K08             | Yorktown Heights | New York       | 10598 | 914-962-3472   |
| CHESTNUT LAND COMPANY     | 3 S Tunnel Rd Spc B8              | Asheville        | North Carolina | 28805 | 828-299-9108   |
| CHESTNUT LAND COMPANY     | 800 Brevard Road                  | Asheville        | North Carolina | 28806 | (330) 965-4433 |
| Cedar Fair, L.P.          | 14523 Carowinds Blvd              | Charlotte        | North Carolina | 28273 | 7045882600     |

| Franchisee                    | Address                              | City         | State          | Zip   | Telephone    |
|-------------------------------|--------------------------------------|--------------|----------------|-------|--------------|
| Ewing-Dunn, Inc.              | Attn: Ewing-Dunn, Inc./Auntie Anne's | Charlotte    | North Carolina | 28208 | 704-359-4610 |
| Ewing-Dunn, Inc.              | Attn: Ewing-Dunn, Inc./Auntie Anne's | Charlotte    | North Carolina | 28208 | 704-359-0744 |
| SE Co-Brand Ventures, LLC     | 4400 Sharon Rd, Ste G40              | Charlotte    | North Carolina | 28211 | 704-364-9933 |
| SE Co-Brand Ventures, LLC     | 6801 Northlake Mall Dr               | Charlotte    | North Carolina | 28216 | 704-598-9322 |
| SE Co-Brand Ventures, LLC     | 6801 Northlake Mall Dr               | Charlotte    | North Carolina | 28027 | 704-596-1415 |
| Yummy Tummy, LLC              | 5506 New Fashion Way                 | Charlotte    | North Carolina | 28278 | 704-504-9002 |
| SE Co-Brand Ventures, LLC     | 8111 Concord Mills Blvd Ste 745      | Concord      | North Carolina | 28027 | 704-979-1202 |
| SE Co-Brand Ventures, LLC     | 8111 Concord Mills Blvd              | Concord      | North Carolina | 28027 | 704-979-7912 |
| SE Co-Brand Ventures, LLC     | 8111 Concord Mills Blvd.             | Concord      | North Carolina | 28027 | 704-688-2609 |
| Yummy Tummy, LLC              | 6910 Fayetteville Rd Spc 226         | Durham       | North Carolina | 27713 | 919-248-0894 |
| SE Co-Brand Ventures, LLC     | 419 Cross Creek Mall                 | Fayetteville | North Carolina | 28303 | 910-868-7668 |
| SHIVA Food LLC                | 1550 Skibo Rd                        | Fayetteville | North Carolina | 28303 | 910-867-4261 |
| The Paradies Shops, LLC       | 61 Terminal Drive                    | Fletcher     | North Carolina | 28732 | 828-687-1206 |
| Chestnut Land Company         | 714 SE Greenville Blvd               | Greenville   | North Carolina | 27858 | 252-931-8071 |
| CHESTNUT LAND COMPANY         | 4000 Arrowhead Blvd                  | Mebane       | North Carolina | 27302 | 919-304-5555 |
| Ganesh Investment Corporation | 11025 Carolina Place Pkwy            | Pineville    | North Carolina | 28134 | 704-752-9380 |
| Bhatti llc 3                  | 5959 Triangle Town Blvd #EU2133      | Raleigh      | North Carolina | 27616 | 919-792-2548 |
| Bhatti llc 3                  | 5959 Triangle Town Blvd.             | Raleigh      | North Carolina | 27616 | 919-449-0072 |
| JenCar Ventures, Inc.         | 4325 Glenwood Ave                    | Raleigh      | North Carolina | 27612 | 919-781-9946 |

| Franchisee                                    | Address                        | City          | State          | Zip        | Telephone      |
|---|--------------------------------|---------------|----------------|------------|----------------|
| Seashore Sports, Incorporated                 | 1025 Outlet Center Drive       | Smithfield    | North Carolina | 27577-0000 | 919-209-0096   |
| C&B ENTERPRISE, GP                            | 3500 Oleander Dr               | Wilmington    | North Carolina | 28403      | 910-465-0053   |
| Chestnut Land Company                         | 3320 Silas Creek Parkway       | Winston-Salem | North Carolina | 27103      | 336-760-2103   |
| Great Pretzels, LLC                           | 606 Kirkwood Mall              | Bismarck      | North Dakota   | 58504      | 701-258-6114   |
| ARAMARK Food and Support Services Group, Inc. | Student Union Bldg             | Akron         | Ohio           | 44325      | 330-972-8129   |
| Fresh Dining Concepts LLC                     | 3265 W Market St               | Akron         | Ohio           | 44333-3392 | 330-864-7006   |
| Fresh Dining Concepts LLC                     | 3265 W. Market Street          | Akron         | Ohio           | 44333      | 330-865-9722   |
| Applegreen OH Welcome Centres LLC             | Vermilion Valley Service Plaza | Amherst       | Ohio           | 44001      | 440-742-7114   |
| Applegreen OH Welcome Centres LLC             | Milepost 139.5 – Westbound     | Amherst       | Ohio           | 44001      | 440-985-5500   |
| GW Concessions & Novelties, Inc.              | 26300 Cedar Rd                 | Beachwood     | Ohio           | 44122      | 216-292-2797   |
| CKC Capital LLC                               | 2727 Fairfield Commons Blvd    | Beavercreek   | Ohio           | 45431      | 614-949-1462   |
| Twisted Tiger Holdings L.L.C.                 | 4450 Buckeye Lane              | Beavercreek   | Ohio           | 45440      | 937-705-6172   |
| Fresh Dining Concepts LLC                     | 4289 Belden Village Mall       | Canton        | Ohio           | 44718      | 234-521-3266   |
| A Different Twist, Inc.                       | 7875 Montgomery Rd             | Cincinnati    | Ohio           | 45236      | 513-791-8804   |
| Bosie's Enterprises, Inc.                     | 4601 Eastgate Blvd             | Cincinnati    | Ohio           | 45245      | 513-752-4484   |
| Doughbenders, Inc.                            | 11700 Princeton Pike           | Cincinnati    | Ohio           | 45246      | 513-671-5556   |
| Doughminator, Inc.                            | 9713 Colerain Ave              | Cincinnati    | Ohio           | 45251      | 513-385-8884   |
| JAS and BRE LLC                               | 441 Vine Street                | Cincinnati    | Ohio           | 45202      | 5134218500     |
| Khaled Ghuneim                                | 271 Calhoun Street             | Cincinnati    | Ohio           | 45219      | (513) 349-7490 |
| Epoch Five Enterprises LLC                    | 5300 Riverside Drive           | Cleveland     | Ohio           | 44135      | 216-265-8468   |
| Epoch Five Enterprises LLC                    | 5300 Riverside Drive           | Cleveland     | Ohio           | 44135      | 216-265-8468   |
| Imad Nader                                    | 3400 Steelyard Drive           | Cleveland     | Ohio           | 44113      | 216-398-9750   |
| COLUMBUS IMPULSE FOODS LLC                    | 1500 Polaris Pkwy              | Columbus      | Ohio           | 43240      | 740-817-2828   |
| Host International, Inc.                      | Port Columbus Airport          | Columbus      | Ohio           | 43219      | 614-732-1663   |
| Still K.I.S.S., Inc.                          | 125 Easton Town Center         | Columbus      | Ohio           | 43219      | 614-418-7021   |
| Pretzel Doughjo, Inc.                         | 2700 Miamisburg Centerville Rd | Dayton        | Ohio           | 45459      | 937-312-9045   |
| CKC Capital LLC                               | 5043 Tuttle Crossing Blvd      | Dublin        | Ohio           | 43016      | 614-798-1828   |

| Franchisee                                     | Address                        | City             | State | Zip        | Telephone      |
|--|--------------------------------|------------------|-------|------------|----------------|
| Sanjay Patel                                   | 7730 Sawmill Rd                | Dublin           | Ohio  | 43016      | 614-792-7820   |
| Gina Campana, Robert Balog                     | 1000 Chestnut Commons Drive    | Elyria           | Ohio  | 44035      | 440-365-1865   |
| Still K.I.S.S., Inc.                           | 771 S 30th St                  | Heath            | Ohio  | 43056      | 740-522-0669   |
| Cedar Fair, L.P.                               | 6300 Kings Island Drive        | Kings Island     | Ohio  | 45034      | 513-754-5700   |
| Still K.I.S.S., Inc.                           | 1635 River Valley Circle       | Lancaster        | Ohio  | 43130      | 740-653-5432   |
| Pilot Travel Centers LLC                       | 3140 State Rd 350              | Lebanon          | Ohio  | 45036      | 513-933-0312   |
| Doughbenders, Inc.                             | 7100 Foundry Row, Suite S-140  | Liberty Township | Ohio  | 45069      | 513-779-7600   |
| CKC Capital LLC                                | 2400 Elida Rd Spc K105         | Lima             | Ohio  | 45805      | 419-331-8511   |
| Cedar Fair, L.P.                               | 6300 Kings Island Drive        | Mason            | Ohio  | 45040      | 513-754-5528   |
| CHESTNUT LAND COMPANY                          | 7850 Mentor Ave, Spc K-105     | Mentor           | Ohio  | 44060      | 440-205-0989   |
| DTR Enterprises, LLC                           | 4550 State Route 39            | Millersburg      | Ohio  | 44654      | 330-893-0900   |
| CHESTNUT LAND COMPANY                          | 980 Premium Outlets Dr         | Monroe           | Ohio  | 45050      | 513-539-8948   |
| Chestnut Land Company                          | 400 Premium Outlets Drive      | Monroe           | Ohio  | 45050      | 513-539-6999   |
| Chestnut Land Company                          | 5555 Youngstown-Warren Rd      | Niles            | Ohio  | 44446      | 330-652-1939   |
| GW Concessions & Novelties, Inc.               | 196 Great Northern Mall        | North Olmsted    | Ohio  | 44070-3301 | 440-734-1007   |
| The Columbus Zoological Park Association, Inc. | 9990 Riverside Drive           | Powell           | Ohio  | 43065      | 6147243520     |
| Cedar Fair, L.P.                               | 1 Cedar Point Drive            | Sandusky         | Ohio  | 44870      | 419-627-2324   |
| Cedar Fair, L.P.                               | One Cedar Point Dr             | Sandusky         | Ohio  | 44870      | 4196272324     |
| Fresh Dining Concepts LLC                      | 4314 Milan Road                | Sandusky         | Ohio  | 44870      | 419-357-7266   |
| Tony Bechara, Steve Bechara                    | 1868 Warrensville Ctr Rd       | South Euclid     | Ohio  | 44121      | (216) 691-3133 |
| Fresh Dining Concepts LLC                      | 67800 Mall Road                | St. Clairsville  | Ohio  | 43950      | 740-526-1191   |
| Fresh Dining Concepts LLC                      | Royalton & Howe Rds            | Strongsville     | Ohio  | 44136      | 440-572-9722   |
| Fresh Dining Concepts LLC                      | 1222 Southpark Ctr Spc 9008    | Strongsville     | Ohio  | 44136      | 440-572-3696   |
| Fresh Dining Concepts LLC                      | 9115 Southpark Center          | Strongsville     | Ohio  | 44136      | 440-238-9722   |
| Imad Nader                                     | 8585 Pearl Rd                  | Strongsville     | Ohio  | 44136      | 440-826-0998   |
| Chestnut Land Company                          | 400 South Wilson Rd, Suite 430 | Sunbury          | Ohio  | 43074      | 740-965-4204   |
| Chestnut Land Company                          | 400 South Wilson Rd, Suite 996 | Sunbury          | Ohio  | 43074      | 740-965-1337   |
| CHESTNUT LAND COMPANY                          | 5001 Monroe Str, Unit 9150     | Toledo           | Ohio  | 43623      | 419-472-8866   |

| Franchisee                        | Address                              | City          | State        | Zip        | Telephone      |
|-----------------------------------|--------------------------------------|---------------|--------------|------------|----------------|
| Chestnut Land Company             | 5001 Monroe Street                   | Toledo        | Ohio         | 43623      | 567-970-7044   |
| Applegreen OH Welcome Centres LLC | Milepost 100.0 – Eastbound           | Vickery       | Ohio         | 43464      | 419-547-4717   |
| Applegreen OH Welcome Centres LLC | Erie Island Service Plaza            | Vickery       | Ohio         | 43464      | 419-547-3807   |
| Twisted Truck, LLC                | 224 Quadral Dr (Commissary)          | Wadsworth     | Ohio         | 44281      | 3306030352     |
| Crocker Park Pretzels JV, LLC     | 186 Crocker Park Blvd                | Westlake      | Ohio         | 44145      | 440-617-9097   |
| DTR Enterprises, LLC              | 3883 Burbank Rd                      | Wooster       | Ohio         | 44691      | 330-345-4110   |
| Chestnut Land Company             | 7401 Market St Spc 305               | Youngstown    | Ohio         | 44512      | 330-629-8108   |
| Chestnut Land Company             | 7401 Market St, Spc 305 (Commissary) | Youngstown    | Ohio         | 44512      | 440-572-9722   |
| JER2911, LLC                      | 3575 Maple Ave                       | Zanesville    | Ohio         | 43701-7019 | (740) 452-5141 |
| HMR Pretzel, L.L.C.               | 3341 West Main St                    | Norman        | Oklahoma     | 73072      | 405-928-9660   |
| HMR Pretzel, L.L.C.               | 2501 W Memorial Rd, Ste 5505         | Oklahoma City | Oklahoma     | 73134      | 405-696-7973   |
| HMR Pretzel, L.L.C.               | 1901 NW Expy Ste 1073                | Oklahoma City | Oklahoma     | 73118      | 405-418-6355   |
| HMR Pretzel, L.L.C.               | 7642 W Reno Ave, Ste D-482           | Oklahoma City | Oklahoma     | 73128      | 405-896-0869   |
| HMR Pretzel, L.L.C.               | 7021 South Memorial Dr               | Tulsa         | Oklahoma     | 74133      | 918.732-9742   |
| Be The Boss, LLC                  | 2201 Lloyd Center                    | Portland      | Oregon       | 97232      | 971-373-8272   |
| KMI Associates Inc.               | 12000 SE 82nd Ave, Ste 1168          | Portland      | Oregon       | 97086      | 503-513-9426   |
| KMI Associates Inc.               | 12000 SE 82nd Ave, Ste 2036          | Portland      | Oregon       | 97086      | 503-794-7025   |
| Advance Foods Incorporated        | 401 Center St Ste 2                  | Salem         | Oregon       | 97301      | 503-585-7565   |
| Advance Foods Incorporated        | 831 Lancaster Dr NE, Ste 18          | Salem         | Oregon       | 97301      | 503-991-5465   |
| Marden Management, Inc.           | 9487 SW Washington Sq Rd             | Tigard        | Oregon       | 97223      | 503-624-1666   |
| KMI Associates Inc.               | 1001 Arny Rd, Bldg 6, Ste 627        | Woodburn      | Oregon       | 97071      | 503-981-2103   |
| KMI Associates Inc.               | 1001 Arney Road                      | Woodburn      | Oregon       | 97071      | 503-981-2994   |
| Applegreen PA Welcome Centres LLC | HMSHost                              | Allentown     | Pennsylvania | 18106      | 610-366-3872   |
| Cedar Fair, L.P.                  | 4000 Dorney Park Rd                  | Allentown     | Pennsylvania | 18104      | 4193576561     |
| CMJC Enterprises, LLC             | 1091 Millcreek Rd                    | Allentown     | Pennsylvania | 18106      | 610-395-8080   |
| ROM Co.                           | Rt 220 & Goods Lane                  | Altoona       | Pennsylvania | 16602      | 814-944-6809   |
| Kanan Patel, Chirag Patel         | Subway #30746                        | Bechtelsville | Pennsylvania | 19505      | 610-397-1614   |
| Something Twisted, LLC            | 1362 Naamans Creek Rd                | Boothwyn      | Pennsylvania | 19061      | 717-368-4109   |

| Franchisee                        | Address  | City            | State        | Zip        | Telephone      |
|-----------------------------------|--|-----------------|--------------|------------|----------------|
| Impeccable Bakes Butler Inc.      | 101 Clearview Cir                                      | Butler          | Pennsylvania | 16001      | 724-287-5266   |
| Amsher Enterprises, Inc.          | 3475 Capital City Mall Dr                              | Camp Hill       | Pennsylvania | 17011-7010 | 717-975-2707   |
| Trevor Hill                       | 1450 Morrell Avenue                                    | Connellsville   | Pennsylvania | 15425      | 724--628-0513  |
| Nirav Patel                       | 620A Gravel Pk   | East Greenville | Pennsylvania | 18041      | 215-679-6518   |
| Nirav Patel                       | 1570 Chester Pike                                      | Eddystone       | Pennsylvania | 19022      | 610-447-1860   |
| Daniel Langhans, Barbara Langhans | 200 Kocher Lane  | Elizabethville  | Pennsylvania | 17023      | 717-362-8331   |
| PATERSUE, LLC                     | 100 Crossings Blvd                                     | Elverson        | Pennsylvania | 19520      | 610-913-3333   |
| Melja, Inc.                       | 44 Perseverance Lane (Commissary)                      | Ephrata         | Pennsylvania | 17522      | 717-575-5999   |
| Melja, Inc.                       | 44 Perseverance Lane (Commissary)                      | Ephrata         | Pennsylvania | 17522      | 717-575-5999   |
| Fresh Dining Concepts LLC         | 640 Millcreek Mall                                     | Erie            | Pennsylvania | 16565      | 888-484-5450   |
| Virangkumar Patel                 | 50 Newberry Pkwy                                       | Etters          | Pennsylvania | 17319      | 717-932-1500   |
| Nirav Patel                       | 270 Indian Run St                                      | Exton           | Pennsylvania | 19341      | (610) 280-9580 |
| Impeccable Bakes Gettysburg Inc.  | 1863 Gettysburg Village Dr                             | Gettysburg      | Pennsylvania | 17325      | 717-337-3760   |
| AY-Dough LLC                      | Suburban Food Services 54 Conchester Road (Commissary) | Glen Mills      | Pennsylvania | 19342      | 484-620-2789   |
| Nirav Patel                       | 50 N McDade Blvd                                       | Glenolden       | Pennsylvania | 19036      | 484-494-4315   |
| Benuel Smoker, Lanita Smoker      | 108 Buckingham Lane (Commissary)                       | Gordonville     | Pennsylvania | 17529      | 717-341-5280   |
| Benuel Smoker, Lanita Smoker      | 108 Buckingham Lane (Commissary)                       | Gordonville     | Pennsylvania | 17529      | 717-341-5280   |
| Fresh Dining Concepts LLC         | US Rt 30 Bypass & Donahue Rd                           | Greensburg      | Pennsylvania | 15601      | (724) 834-1936 |
| Fresh Dining Concepts LLC         | 1911 Leesburg Grove City Rd                            | Grove City      | Pennsylvania | 16127      | 888-484-5450   |
| Chirag Patel                      | 1800 Telden Ridge                                      | Hamburg         | Pennsylvania | 19526      | (484) 660-3572 |
| Jason Rodriguez                   | 1881 Baltimore Pike                                    | Hanover         | Pennsylvania | 17331      | 717-646-9990   |
| Milton Eser, Jason Rodriguez      | 495 Eisenhower Drive                                   | Hanover         | Pennsylvania | 17331      | 717-632-9755   |
| Pretiola, Inc.                    | 30 Laurel Mall   | Hazel Township  | Pennsylvania | 18202      | 570-454-4215   |
| Ketan Patel                       | 1275 N. Hermitage Road                                 | Hermitage       | Pennsylvania | 16148      | 724-981-5358   |
| ROM Co.                           | 3343 East State Street                                 | Hermitage       | Pennsylvania | 16148      | 724-981-9973   |
| Christopher Brunson               | 915 Mills Dr   | Huntingdon      | Pennsylvania | 15642      | 724-864-3190   |
| T.D.S. Foods, Inc.                | 2334 Oakdale Ave Suite 51                              | Indiana         | Pennsylvania | 15701-3348 | 724-349-4181   |

| Franchisee                              | Address                                 | City            | State        | Zip        | Telephone      |
|---|---|-----------------|--------------|------------|----------------|
| Applegreen PA Welcome Centres LLC       | 256 Danner Rd                           | Jim Thorpe      | Pennsylvania | 18229      | 570-565-7010   |
| MCCT ENTERPRISES, LLC                   | 500 Galleria Dr, Suite #188             | Johnstown       | Pennsylvania | 15904-8911 | 814-269-3279   |
| MCCT ENTERPRISES, LLC                   | 500 Galleria Drive                      | Johnstown       | Pennsylvania | 15904      | (631) 379-3829 |
| Applegreen PA Welcome Centres LLC       | 381 W DeKalb Pk                         | King of Prussia | Pennsylvania | 19406      | 610-992-1018   |
| Fresh Dining Concepts LLC               | 160 N Gulph Rd                          | King of Prussia | Pennsylvania | 19406      | 610-992-0960   |
| Fresh Dining Concepts LLC               | 690 W DeKalb Pike                       | King of Prussia | Pennsylvania | 19406      | 610-992-3320   |
| Fresh Dining Concepts LLC               | 160 N. Gulph Road                       | King of Prussia | Pennsylvania | 19406      | 610-992-3320   |
| Fresh Dining Concepts LLC               | 160 N Gulph Rd                          | King of Prussia | Pennsylvania | 19406      | 610-992-0960   |
| Fresh Dining Concepts LLC               | Ste 1003                                | King of Prussia | Pennsylvania | 19406      | 610-992-3320   |
| Benuel Smoker, Lanita Smoker            | 2249 Lincoln Highway                    | Lancaster       | Pennsylvania | 17602      | 7173415280     |
| Calhoun Ventures LLC                    | 311 Stanley K. Tanger Drive, Suite 1217 | Lancaster       | Pennsylvania | 17602      | 717-621-2665   |
| Smoker's Soft Pretzels, LLC             | 2249 Lincoln Highway                    | Lancaster       | Pennsylvania | 17602      | 717-672-4562   |
| Robert Burness, Daniel Brown            | 2300 E. Lincoln Hwy.                    | Langhorne       | Pennsylvania | 19047      | 267-566-1443   |
| The Oxford Valley Pretzel Factory, Inc. | 2300 E Lincoln Highway                  | Langhorne       | Pennsylvania | 19047      | 215-702-1998   |
| Nicholas Bennett                        | 100 Colony Ln                           | Latrobe         | Pennsylvania | 15650      | 724-539-1383   |
| Neha Ghotra                             | 180 Levittown Pkwy                      | Levittown       | Pennsylvania | 19056      | 215-043-3930   |
| KW Pretzels, LLC                        | 2574 US-30                              | Ligonier        | Pennsylvania | 15658      | 412-327-1776   |
| KW Pretzels, LLC                        | 2575 US 30                              | Ligonier        | Pennsylvania | 15658      | 412-327-1776   |
| Applegreen PA Welcome Centres LLC       | Pennsylvania Turnpike Commission        | Middletown      | Pennsylvania | 17057      | 814-802-7070   |
| SRI SAI DEVI RESTAURANT LLC             | One Terminal Drive                      | Middletown      | Pennsylvania | 17057      | 717-948-4979   |
| KW Pretzels, LLC                        | 200 Mall Blvd                           | Monroeville     | Pennsylvania | 15146      | 412-373-8140   |
| KW Pretzels, LLC                        | 200 Mall Blvd                           | Monroeville     | Pennsylvania | 15146      | 412-373-8140   |
| KW Pretzels, LLC                        | 200 Mall Office Complex                 | Monroeville     | Pennsylvania | 15146      | (412) 373-8140 |
| Christopher Brunson                     | 900 Summit Ridge Plaza                  | Mt. Pleasant    | Pennsylvania | 15666      | 724-547-0116   |
| Pilot Travel Centers LLC                | 2210 Camp Swatara Rd                    | Myerstown       | Pennsylvania | 17067      | 717-933-4146   |
| Deborah Mancini, Joseph Mancini         | 2501 West State Street                  | New Castle      | Pennsylvania | 16101      | 724-654-8444   |
| Applegreen PA Welcome Centres LLC       | 203 Blue Mountain Plaza                 | Newburg         | Pennsylvania | 17240      | 717-423-0089   |
| OMSAINATH INC                           | Montgomery Mall H6                      | North Wales     | Pennsylvania | 19454      | 215-368-0887   |



| Franchisee                        | Address                            | City         | State        | Zip        | Telephone    |
|-----------------------------------|------------------------------------|--------------|--------------|------------|--------------|
| OMSAINATH INC                     | Montgomery Mall H6                 | North Wales  | Pennsylvania | 19454      | 215-368-0887 |
| Nirav Patel                       | 800 Commons Dr                     | Oxford       | Pennsylvania | 19363      | 610-998-1860 |
| ROM Co.                           | 300 Lycoming Mall Circle Suite 234 | Pennsdale    | Pennsylvania | 17756      | 570-546-7898 |
| AA Pretzel Queen LLC              | 1625 Chestnut Str, Spc 206         | Philadelphia | Pennsylvania | 19103      | 215-564-4747 |
| Amit Sehgal                       | 9th & Market Sts                   | Philadelphia | Pennsylvania | 19107      | 215-922-2098 |
| Ashish (Andy) Patel               | 910 Chestnut St                    | Philadelphia | Pennsylvania | 19107      | 215-923-5600 |
| CL Twist LLC                      | 8500 Essington Ave                 | Philadelphia | Pennsylvania | 19153      | 215-492-5537 |
| CL Twist LLC                      | 8000 Essington Ave.                | Philadelphia | Pennsylvania | 19153      | 2154926736   |
| Maitay LLC                        | 13th and Arch St.                  | Philadelphia | Pennsylvania | 19107      | 2673935827   |
| Nirav Patel                       | 4301 Bybery Road                   | Philadelphia | Pennsylvania | 19154      | 215-281-1225 |
| Fresh Dining Concepts LLC         | 1000 Ross Park Mall Dr             | Pittsburgh   | Pennsylvania | 15237-3837 | 888-484-5450 |
| Fresh Dining Concepts LLC         | 301 South Hills Village            | Pittsburgh   | Pennsylvania | 15241      | 888-484-5450 |
| Fresh Dining Concepts LLC         | 4734-FC-9                          | Pittsburgh   | Pennsylvania | 15205      | 888-484-5450 |
| Fresh Dining Concepts LLC         | 301 South Hills Village            | Pittsburgh   | Pennsylvania | 15241      | 888-484-5450 |
| Fresh Dining Concepts LLC         | 1000 Ross Park Mall Dr             | Pittsburgh   | Pennsylvania | 15237-3837 | 888-484-5450 |
| Fresh Dining Concepts LLC         | 100 Robinson Ctr Dr                | Pittsburgh   | Pennsylvania | 15205      | 4127882447   |
| TWISTED SKY HIGH, Inc.            | 1000 Airport Blvd                  | Pittsburgh   | Pennsylvania | 15231      | 412-472-0333 |
| TWISTED SKY HIGH, Inc.            | 1000 Airport Blvd                  | Pittsburgh   | Pennsylvania | 15108      | 412-472-9089 |
| Applegreen PA Welcome Centres LLC | P. O. Box 69                       | Plainfield   | Pennsylvania | 17081      | 717-218-5962 |
| Chirag Patel                      | 233 Shoemaker Road                 | Pottstown    | Pennsylvania | 19464      | 610-323-5050 |
| F & F Pretzels, LLC               | 18 W Lightcap Rd                   | Pottstown    | Pennsylvania | 19464      | 610-327-0217 |
| Chirag Patel                      | 195 North West End Boulevard       | Quakertown   | Pennsylvania | 18951      | 215-538-9903 |
| Pretzelfarmers.com, LLC           | 201 Station Rd                     | Quakertown   | Pennsylvania | 18951      | 215-536-8415 |
| Giovanni Giannotti                | 5370 Allentown Pike                | Reading      | Pennsylvania | 19560      | 610-939-9595 |
| DeMazz, Inc.                      | SpC 834 Rte 6                      | Scranton     | Pennsylvania | 18508      | 570-969-2250 |
| Walls End, Inc.                   | 300 Lackawanna Avenue, Suite 219   | Scranton     | Pennsylvania | 18503      | 570-955-5335 |
| Amsher Enterprises, Inc.          | One Susquehanna Valley Mall Dr     | Selinsgrove  | Pennsylvania | 17870      | 570-374-0368 |
| Applegreen PA Welcome Centres LLC | 327 Industrial Park Rd             | Somerset     | Pennsylvania | 15501      | 814-444-9765 |

| Franchisee                                 | Address                           | City            | State        | Zip        | Telephone      |
|--|-----------------------------------|-----------------|--------------|------------|----------------|
| Applegreen PA Welcome Centres LLC          | 179 N Plaza Access Rd             | Somerset        | Pennsylvania | 15501      | 814-445-2269   |
| CL Twist II LLC                            | 1250 Baltimore Pike Spc 23A       | Springfield     | Pennsylvania | 19064      | 610-543-3938   |
| Rakesh Patel, Vishal Patel                 | 1665 N Atherton Pl                | State College   | Pennsylvania | 16803      | 814-238-0234   |
| Walls End, Inc.                            | 341 Stroud Mall                   | Stroudsburg     | Pennsylvania | 18360      | 570-420-1116   |
| Three Angels Pretzels of Tannersville Inc. | 1000 Premium Outlets Dr, Ste C01C | Tannersville    | Pennsylvania | 18372      | 570-629-4740   |
| LAMBCO PRETZEL, LLC                        | 1152 Mall Run Rd                  | Uniontown       | Pennsylvania | 15401      | 724-438-7887   |
| Rakesh Patel, Vishal Patel                 | University Drive                  | University Park | Pennsylvania | 16802      | 814-954-7404   |
| Applegreen PA Welcome Centres LLC          | 2000 Eastern Ave                  | Verona          | Pennsylvania | 15147      | 412-828-1964   |
| Chirag Patel                               | 100 East Street Rd                | Warminster      | Pennsylvania | 18974      | 215-672-6000   |
| Raghuvir Chavda                            | Warrington Wal-Mart #5649         | Warrington      | Pennsylvania | 18976      | 215-343-7075   |
| CHESTNUT LAND COMPANY                      | 2200 Tanger Blvd                  | Washington      | Pennsylvania | 15301      | 724-228-8528   |
| Applegreen PA Welcome Centres LLC          | HMSHost                           | Waterfall       | Pennsylvania | 16689      | 717-485-4254   |
| Sunita Eversole                            | 12751 Washington Township Blvd    | Waynesboro      | Pennsylvania | 17268      | 717-762-7770   |
| KW Pretzels, LLC                           | 1000 Sandcastle Dr                | West Homestead  | Pennsylvania | 15120      | (412) 327-1776 |
| KW Pretzels, LLC                           | 4800 Kennywood Blvd.              | West Mifflin    | Pennsylvania | 15122      | 412-327-1776   |
| KW Pretzels, LLC                           | 4800 Kennywood Blvd               | West Mifflin    | Pennsylvania | 15122      | (412) 327-1776 |
| Twist 'n Go Pretzels, LLC                  | 622 St. Agnes Lane (Commissary)   | West Mifflin    | Pennsylvania | 15122-2925 | 412-445-9004   |
| Parthasaradhy Vuppapalaty                  | 650 S Trooper Rd                  | West Norritown  | Pennsylvania | 19403      | 610-631-2838   |
| KARMAS3 LLC                                | 250 Lehigh Valley Mall            | Whitehall       | Pennsylvania | 18052      | 610-264-1658   |
| DeMazz, Inc.                               | 730 Wyoming Valley Mall           | Wilkes Barre    | Pennsylvania | 18702      | 570-823-6112   |
| DeMazz, Inc.                               | 2150 Wilkes Barre Twmsp Mktpl     | Wilkes Barre    | Pennsylvania | 18702      | 570-825-5112   |
| Willow Grove Pretzels, Inc.                | 2500 West Moreland Road           | Willow Grove    | Pennsylvania | 19090      | 215-346-0007   |
| Fresh, Hot & Fast, Inc.                    | 1665 State Hill Rd                | Wyomissing      | Pennsylvania | 19610      | 610-374-2540   |
| Fresh, Hot & Fast, Inc.                    | 1665 State Hill Rd                | Wyomissing      | Pennsylvania | 19610      | 610-374-2540   |
| A.M.A. Pretzels XXXI Corporation           | 1 Providence Place                | Providence      | Rhode Island | 02903      | (516) 298-2534 |
| A.M.A. Pretzels XXXI Corporation           | 1 Providence Place                | Providence      | Rhode Island | 02903      | 401-383-9341   |
| The Warwick Mall Pretzel Group, LLC        | 400 Bald Hill Rd Ste 181          | Warwick         | Rhode Island | 02886      | 401-737-3449   |
| The Warwick Mall Pretzel Group, LLC        | 400 Baid Hill Road                | Warwick         | Rhode Island | 02886      | 401-737-3449   |

| Franchisee                | Address                            | City               | State          | Zip   | Telephone      |
|---------------------------|------------------------------------|--------------------|----------------|-------|----------------|
| Chestnut Land Company     | 1256 Fording Island Road           | Bluffton           | South Carolina | 29910 | 843-837-8002   |
| Ly's Investments, LLC     | 2150 Northwoods Boulevard          | Charleston         | South Carolina | 29406 | 843-569-6300   |
| LYONS', INC.              | 7201 Two Notch Rd                  | Columbia           | South Carolina | 29223 | 803-736-0593   |
| SE Co-Brand Ventures, LLC | 100 Columbiana Circle              | Columbia           | South Carolina | 29212 | 803-851-5130   |
| SE Co-Brand Ventures, LLC | 100 Columbiana Circle              | Columbia           | South Carolina | 29212 | 8436551868     |
| SE Co-Brand Ventures, LLC | 700 Haywood Rd, Spc 2020A          | Greenville         | South Carolina | 29607 | 864-284-0577   |
| SE Co-Brand Ventures, LLC | 700 Haywood Rd, KI-16              | Greenville         | South Carolina | 29607 | (843) 236-2014 |
| SE Co-Brand Ventures, LLC | 1306 Celebrity Circle              | Myrtle Beach       | South Carolina | 29577 | 843-916-8589   |
| SE Co-Brand Ventures, LLC | 2000 Coastal Grand Cir             | Myrtle Beach       | South Carolina | 29577 | 843-626-0140   |
| SE Co-Brand Ventures, LLC | 10835 Kings Rd, Ste 280            | Myrtle Beach       | South Carolina | 29572 | 843-213-0435   |
| SE Co-Brand Ventures, LLC | 4635 Factory Stores Blvd, Ste D115 | Myrtle Beach       | South Carolina | 29579 | 843-903-3399   |
| Pilot Travel Centers LLC  | 5714 North Rhett Ave               | North Charleston   | South Carolina | 29406 | 8437459300     |
| SE Co-Brand Ventures, LLC | Highway 17 and 48th Avenue South   | North Myrtle Beach | South Carolina | 29582 | 843-272-2663   |
| SE Co-Brand Ventures, LLC | 205 W. Blackstock Road, Suite 165  | Spartanburg        | South Carolina | 29301 | 864-707-5088   |
| Sugar-Shock Soldier, LLC  | 1006 Tyger Lake Road               | Spartanburg        | South Carolina | 29301 | 864-439-0572   |
| Sugar-Shock Soldier, LLC  | 1600 E. Alexander Love Hwy         | York               | South Carolina | 29745 | 803-684-5575   |
| JABACON I, Inc.           | 370 Empire Mall                    | Sioux Falls        | South Dakota   | 57106 | 605-361-7477   |
| Adam Taouil               | 8400 Hwy 64                        | Bartlett           | Tennessee      | 38133 | 901-231-4641   |
| CHESTNUT LAND COMPANY     | 2100 Hamilton Place Blvd           | Chattanooga        | Tennessee      | 37421 | 423-892-4190   |
| Mc3 Enterprises LLC       | 271 Northgate Mall                 | Chattanooga        | Tennessee      | 37415 | 423-877-8879   |

| Franchisee                     | Address                          | City            | State     | Zip   | Telephone    |
|--------------------------------|----------------------------------|-----------------|-----------|-------|--------------|
| Mc3 Enterprises LLC            | 271 Northgate Mall (Commissary)  | Chattanooga     | Tennessee | 37415 | 423-877-8879 |
| Bosie's Enterprises, Inc.      | Governor's Square Unit 540       | Clarksville     | Tennessee | 37040 | 931-503-9029 |
| SE Co-Brand Ventures, LLC      | 1800 Galleria Blvd, Ksk 4056     | Franklin        | Tennessee | 37067 | 615-503-9883 |
| SE Co-Brand Ventures, LLC      | 762 Parkway, Suite 2             | Gatlinburg      | Tennessee | 37738 | 865-325-6055 |
| SB Venue Ventures, LLC         | 124 Riverbirch Lane (Commissary) | Hendersonville  | Tennessee | 37075 | 6159252641   |
| SE Co-Brand Ventures, LLC      | 2011 N Roan Str, Space B2A       | Johnson City    | Tennessee | 37601 | 423-854-0066 |
| Blaiden, LLC                   | 2101 Fort Henry Dr, Ste 115      | Kingsport       | Tennessee | 37664 | 423-378-3477 |
| SE Co-Brand Ventures, LLC      | 7600 Kingston Pike Spc 1162      | Knoxville       | Tennessee | 37919 | 865-690-8956 |
| SE Co-Brand Ventures, LLC      | 7600 Kingston Pike               | Knoxville       | Tennessee | 37919 | 8656908956   |
| Bosie's Enterprises, Inc.      | 2760 N Germantown Pkwy           | Memphis         | Tennessee | 38133 | 901-373-7107 |
| SE Co-Brand Ventures, LLC      | 2550 E Morris Blvd Sp 54         | Morristown      | Tennessee | 37813 | 423-581-5587 |
| SE Co-Brand Ventures, LLC      | 2126 Abbott Martin Rd            | Nashville       | Tennessee | 37215 | 615-297-6110 |
| SE Co-Brand Ventures, LLC      | 2126 Abbott Martin Road          | Nashville       | Tennessee | 37215 | 615-878-1126 |
| Sun N' Fun Enterprises, Inc.   | 2800 Opryland Drive              | Nashville       | Tennessee | 37214 | 727-644-6277 |
| Tiki Dreams, LLC               | 138 Opry Mills Dr                | Nashville       | Tennessee | 37214 | 615-823-3172 |
| Cinnapretz, LLC                | 131 The Island Drive             | Pigeon Forge    | Tennessee | 37863 | 865-286-7002 |
| SE Co-Brand Ventures, LLC      | 1414 Parkway                     | Sevierville     | Tennessee | 37862 | 8659080807   |
| SE Co-Brand Ventures, LLC      | 1645 Parkway Suite 960           | Sevierville     | Tennessee | 37862 | 843-655-1881 |
| HMR Pretzel, L.L.C.            | 7701 I-40 W #246                 | Amarillo        | Texas     | 79121 | 806-553-0887 |
| Texas Pretzels, Inc.           | 3811 S Cooper St                 | Arlington       | Texas     | 76015 | 817-557-0431 |
| Texas Pretzels, Inc.           | 3811 S Cooper Str                | Arlington       | Texas     | 76015 | 817-419-9400 |
| Lone Star Dreams, Inc.         | 2901 S Capital of Texas Hwy      | Austin          | Texas     | 78746 | 512-329-5830 |
| BMPTX LLC                      | 6155 Eastex Fwy #200             | Beaumont        | Texas     | 77706 | 409-899-9560 |
| PLUMERIA, LTD                  | 2370 North Expressway            | Brownsville     | Texas     | 78521 | 956-548-1981 |
| Reorient Services LLC          | 951 SW Wilshire Blvd             | Burleson        | Texas     | 76028 | 4695700149   |
| HMR Pretzel, L.L.C.            | 7051 South Desert Boulevard      | Canutillo       | Texas     | 79835 | 915-308-5996 |
| Lone Star Dreams, Inc.         | 11200 Lakeline Mall Dr           | Cedar Park      | Texas     | 78613 | 512-996-8187 |
| BMCTX LLC                      | 1500 Harvey Road                 | College Station | Texas     | 77840 | 979-696-9833 |
| Perfect Pretzel, Inc. (McKaig) | 29300 Hempstead Road             | Cypress         | Texas     | 77433 | 281-256-8815 |

| Franchisee                           | Address                               | City          | State | Zip   | Telephone      |
|--------------------------------------|---------------------------------------|---------------|-------|-------|----------------|
| Host International, Inc.             | 8008 Herb Kelleher Way                | Dallas        | Texas | 75235 | 214-208-0937D  |
| Texas Pretzels, Inc.                 | 13350 Dallas Pkwy Ste 3290            | Dallas        | Texas | 75240 | 972-392-5100   |
| Texas Pretzels, Inc.                 | 8687 North Central Expwy              | Dallas        | Texas | 75225 | 469-232-3200   |
| Bruce Rodgers, Susan Rodgers         | 800 S US Hwy 81/287                   | Decatur       | Texas | 76234 | 940-627-1229   |
| American World Wide Ventures, L.L.C. | 2201 South I-35 East                  | Denton        | Texas | 76205 | 940-898-1910   |
| HMR Pretzel, L.L.C.                  | 8401 Gateway Blvd                     | El Paso       | Texas | 79925 | 915-257-7896   |
| SMOOTHIE LIFE LLC                    | 13371 Eastlake Blvd                   | El Paso       | Texas | 79928 | (915) 282-9043 |
| Texas Pretzels, Inc.                 | DBA Auntie Anne's DFW TX109           | Flower Mound  | Texas | 75027 | 9725746167     |
| Texas Pretzels, Inc.                 | DBA Auntie Anne's DFW TX110           | Flower Mound  | Texas | 75027 | 972-574-4549   |
| Texas Pretzels, Inc.                 | DBA Auntie Anne's DFW TX111           | Flower Mound  | Texas | 75027 | 972-574-2952   |
| Texas Pretzels, Inc.                 | DBA Auntie Anne's DFW TX112           | Flower Mound  | Texas | 75027 | 972-574-6561   |
| Texas Pretzels, Inc.                 | DBA Auntie Anne's                     | Flower Mound  | Texas | 75027 | 972-973-4474   |
| Dual Concepts, LLC                   | 1613 Pleasonton Rd                    | Fort Bliss    | Texas | 79906 | 915-298-1001   |
| Aksal, Inc.                          | 2192 Green Oaks Rd                    | Fort Worth    | Texas | 76116 | 817-735-4677   |
| Craig Morris                         | 2225 E. Lancaster Ave                 | Fort Worth    | Texas | 76103 | (817) 946-0774 |
| JAHarvey Investments, L.L.C.         | 4800 S Hulen Str, Spc 1640            | Fort Worth    | Texas | 76123 | 817-292-9933   |
| Texas Pretzels, Inc.                 | southwest quadrant of I-35 and SH-114 | Fort Worth    | Texas | 76115 | 817-567-3799   |
| IDAD, Inc.                           | 1145 Baybrook Mall                    | Friendswood   | Texas | 77546 | 281-218-9000   |
| Texas Pretzels, Inc.                 | 2601 Preston Rd                       | Frisco        | Texas | 75034 | 214-705-1653   |
| Texas Pretzels, Inc.                 | 2601 Preston Road                     | Frisco        | Texas | 75034 | 214-705-1653   |
| BFB Holdings, LLC                    | 4200 South Freeway                    | Ft. Worth     | Texas | 76115 | 817-926-2021   |
| Dallas Twist, Ltd.                   | 295 Cedar Sage Dr                     | Garland       | Texas | 75040 | 972-675-1690   |
| Texas Pretzels, Inc.                 | Auntie Anne's #TX180                  | Grand Prairie | Texas | 75052 | 972-602-6910   |
| Sun N' Fun Enterprises, Inc.         | 1505 Gaylord Trail                    | Grapevine     | Texas | 76051 | 727-644-6277   |
| Texas Pretzels, Inc.                 | 3000 Grapevine Mills Parkway          | Grapevine     | Texas | 76051 | 972 874-1622   |
| Texas Pretzels, Inc.                 | 3000 Grapevine Mills Pkwy, Ste 124    | Grapevine     | Texas | 76051 | 972-539-2250   |
| Texas Pretzels, Inc.                 | 3000 Grapevine Mills Parkway          | Grapevine     | Texas | 76051 | 8175275503     |
| Lone Star Pretzel, Inc.              | 7401 Interstate Highway 30            | Greenville    | Texas | 75402 | (972) 978-7160 |
| PLUMERIA, LTD                        | 2020 S Expressway 83                  | Harlingen     | Texas | 78552 | 956-365-3183   |

| Franchisee                     | Address                                       | City        | State | Zip   | Telephone    |
|--------------------------------|---|-------------|-------|-------|--------------|
| IDAD, Inc.                     | 3950 South Terminal Road #32                  | Houston     | Texas | 77032 | 281-209-1600 |
| IDAD, Inc.                     | 574 Memorial City                             | Houston     | Texas | 77024 | 832-358-8888 |
| IDAD, Inc.                     | 5015 Westheimer Rd #K107A                     | Houston     | Texas | 77056 | 713-626-9000 |
| IDAD, Inc.                     | 5015 Westheimer Road, #K107A                  | Houston     | Texas | 77056 | 713-626-9000 |
| IDAD, Inc.                     | 300 Memorial City Mall                        | Houston     | Texas | 77024 | 832-548-1919 |
| Parella Investment Group, LLC  | 1101 Melbourne Rd                             | Hurst       | Texas | 76053 | 817-590-9440 |
| BFB Holdings, LLC              | 3651 Irving Mall                              | Irving      | Texas | 75062 | 972-257-0043 |
| H. Russell, MING LLC           | 7750 N. MacArthur Ste 1201123<br>(Commissary) | Irving      | Texas | 75063 | 210-272-0515 |
| Lone Star Dreams, Inc.         | 1400 Lowes Blvd                               | Killeen     | Texas | 76542 | 254-616-1990 |
| Lone Star Dreams, Inc.         | Spc 1334                                      | Killeen     | Texas | 76543 | 254-200-0090 |
| PLUMERIA, LTD                  | 5300 San Dario Ave                            | Laredo      | Texas | 78041 | 956-724-5886 |
| PLUMERIA, LTD                  | Zaragoza Street                               | Laredo      | Texas | 78040 | 956-391-2109 |
| A & T Classic Enterprises, LLC | 3500 McCann Road                              | Longview    | Texas | 75605 | 9037537786   |
| HMR Pretzel, L.L.C.            | 6002 Slide Road                               | Lubbock     | Texas | 79414 | 8066802996   |
| Dragon Horse Enterprises LLC   | 2200 S 10th St.                               | McAllen     | Texas | 78503 | 956-686-4491 |
| Dragon Horse Enterprises LLC   | 2200 S 10th St                                | McAllen     | Texas | 78503 | 956-618-3077 |
| RGV Indulgence, LLC            | 2200 S 10th St.                               | McAllen     | Texas | 78503 | 9566183077   |
| PLUMERIA, LTD                  | 5001 E Expressway 83                          | Mercedes    | Texas | 78570 | 956-514-0817 |
| Lone Star Pretzel, Inc.        | 2046 Town East Mall                           | Mesquite    | Texas | 75150 | 972-613-7664 |
| TEXAS COUNTRY TWISTERS, INC.   | 200 US Highway 80 East                        | Mesquite    | Texas | 75149 | 972-289-6765 |
| HMR Pretzel, L.L.C.            | 4511 Midkiff Rd                               | Midland     | Texas | 79705 | 432-827-2271 |
| Pilot Travel Centers LLC       | 1305 Pasadena Freeway                         | Pasadena    | Texas | 77506 | 713-534-0038 |
| Texas Dimensions, Inc.         | 2805 Business Ctr Dr #063                     | Pearland    | Texas | 77581 | 713-340-0595 |
| Lone Star Dreams, Inc.         | 2701 S Interstate Highway 35                  | Round Rock  | Texas | 78664 | 512 388-7225 |
| Riclin, Inc.                   | 4401 North IH-35                              | Round Rock  | Texas | 78664 | 512-868-3940 |
| A Novel Idea, LLC              | 9800 Airport Blvd                             | San Antonio | Texas | 78216 | 210.265.3254 |
| Fresh Dining Concepts LLC      | 7400 San Pedro Ave Ste 830                    | San Antonio | Texas | 78216 | 210-342-8848 |
| Fresh Dining Concepts LLC      | 6301 NW Loop 410                              | San Antonio | Texas | 78238 | 210-256-6800 |

| Franchisee                | Address                                 | City             | State    | Zip        | Telephone      |
|---------------------------|---|------------------|----------|------------|----------------|
| Fresh Dining Concepts LLC | 15900 La Cantera Pkwy, Ste #8801        | San Antonio      | Texas    | 78256      | 210-399-1604   |
| Fresh Dining Concepts LLC | 7400 San Pedro Avenue                   | San Antonio      | Texas    | 78216-5353 | (210) 979-0288 |
| TDT Quality, LLC          | 9238 North Loop 1604 West               | San Antonio      | Texas    | 78249      | 210-595-5222   |
| Riclin, Inc.              | 3939 I-H 39 S                           | San Marcos       | Texas    | 78666      | 512-392-1115   |
| Pilot Travel Centers LLC  | 709 US Hwy 77 N                         | Schulenburg      | Texas    | 78956      | 9797432547     |
| Southern Milestone, Inc.  | 16535 Southwest Freeway                 | Sugar Land       | Texas    | 77479      | 281-265-3188   |
| BMPTX LLC                 | 2400 Richmond Rd #75                    | Texarkana        | Texas    | 75503      | 903-838-6267   |
| GMZ Foods Texarcana LLC   | 4000 New Boston Rd                      | Texarkana        | Texas    | 75501      | 7133937566     |
| IDAD, Inc.                | 5885 Gulf Freeway, Ste #340             | Texas City       | Texas    | 77591      | 281-337-1071   |
| IDAD, Inc.                | 1201 Lake Woodlands Dr                  | The Woodlands    | Texas    | 77380      | 281-419-5511   |
| Good Time Rolls, LLC      | 4601 South Broadway Avenue              | Tyler            | Texas    | 75703      | 903-509-3745   |
| BMWTX LLC                 | 6001 W Waco Dr                          | Waco             | Texas    | 76710      | 254-776-9647   |
| David Dickerson           | 608A Austin Ave (Commissary)            | Waco             | Texas    | 76701      | 254-717-4087   |
| BLENDII LLC               | 809 Woodbridge Pkwy                     | Wylie            | Texas    | 75098      | 469-626-0121   |
| Lehi Pretzel, LLC         | 3700 North Cabelas Blvd                 | Lehi             | Utah     | 84043      | 385-336-8373   |
| Lehi Pretzel, LLC         | 3700 Cabelas N. Blvd, #234 (Commissary) | Lehi             | Utah     | 84043      | 816-830-1355   |
| TWISTED FOODS, INC.       | 155 Dorset St                           | South Burlington | Vermont  | 05403      | 802-863-4138   |
| Dabiniva LLC              | 1100 South Hayes St                     | Arlington        | Virginia | 22202      | 703-413-1111   |
| Dabiniva LLC              | 1100 South Hayes St                     | Arlington        | Virginia | 22202      | 703-415-4040   |
| Jaesung, Inc.             | The Pentagon, Room 1B1080               | Arlington        | Virginia | 22202      | 5714328931     |
| Dough Snacks Inc.         | 104 14th Street NW, Suite 1             | Charlottesville  | Virginia | 22903      | 434-284-7946   |
| Atul Patel                | Walmart #1682                           | Chesapeake       | Virginia | 23321      | 7573817775     |
| L.C.L.E., Inc.            | 1401 Greenbrier Parkway                 | Chesapeake       | Virginia | 23320      | 757-424-0711   |
| Jay Patel                 | 14501 Hancock Village St                | Chesterfield     | Virginia | 23832      | 8047392119     |
| Bhatti LLC                | 230 Southpark Circle                    | Colonial Heights | Virginia | 23834      | (804) 526-0120 |
| Cedar Fair, L.P.          | 16000 Theme Park Way                    | Doswell          | Virginia | 23047      | 804-876-5268   |
| Hurson Enterprises, Inc.  | 21100 Dulles Town Cir, Ste 262          | Dulles           | Virginia | 20166      | 571-926-8322   |

| Franchisee                           | Address                                 | City               | State    | Zip   | Telephone      |
|--------------------------------------|---|--------------------|----------|-------|----------------|
| NY4 Pretzels, Inc.                   | Concourse C, Gate C-11                  | Dulles             | Virginia | 20166 | 703-572-5200   |
| Ennha's Pretzel-Fair Oaks, Inc.      | 11953U Fair Oaks                        | Fairfax            | Virginia | 22033 | 703-591-2475   |
| Ennha's Pretzel-Fair Oaks, Inc.      | 11750 Fair Oaks Mall                    | Fairfax            | Virginia | 22033 | 703-591-2475   |
| Kaushik Shah, Neil Shah              | 13059 Fair Lakes Pkwy                   | Fairfax            | Virginia | 22033 | 703-449-0480   |
| Impeccable Bakes Fredericksburg Inc. | 345 Spotsylvania Mall                   | Fredericksburg     | Virginia | 22407 | 540-786-1095   |
| Impeccable Bakes Fredericksburg Inc. | 137 Spotsylvania Mall - Unit 210        | Fredericksburg     | Virginia | 22407 | 540-786-1115   |
| Vippan Chopra                        | 11 Village Pkwy                         | Fredericksburg     | Virginia | 22460 | 540-286-2550   |
| ARAMARK Educational Services, LLC    | 738 S. Mason St                         | Harrisonburg       | Virginia | 22807 | 609-954-4081   |
| Pretzel Logic, Inc.                  | 1925 E Market St, Suite #307            | Harrisonburg       | Virginia | 22801 | 540-432-0414   |
| RHA & S Enterprises Inc.             | 6530 Trading Square                     | Haymarket          | Virginia | 20169 | 703-754-6240   |
| Dough Busters, LLC                   | 241 Fort Evans Road NE                  | Leesburg           | Virginia | 20176 | 703-777-0084   |
| Impeccable Bakes Lynchburg Inc.      | 3405 Candler's Mountain Rd              | Lynchburg          | Virginia | 24502 | (631) 574-7700 |
| Sodexo Operations, LLC               | DeMoss Drive                            | Lynchburg          | Virginia | 24502 | 434-582-3079   |
| Sodexo Operations, LLC               | 1971 University Blvd.                   | Lynchburg          | Virginia | 24502 | 434-582-4675   |
| Impeccable Bakes Manassas Inc.       | 8300 Sudley Rd                          | Manassas           | Virginia | 20109 | 703-330-4607   |
| Impeccable Bakes Manassas Inc.       | 8300 Sudley Rd                          | Manassas           | Virginia | 20109 | 631-574-7770   |
| Hurson Enterprises, Inc.             | 7955 Tyson's Corner Center              | McLean             | Virginia | 22102 | 703-790-0619   |
| Chaitanya Patel                      | 12200 Chattanooga Plaza                 | Midlothian         | Virginia | 23112 | (804) 744-1200 |
| Impeccable Bakes Newport News Inc.   | 12300 Jefferson Avenue                  | Newport News       | Virginia | 23602 | 757-881-9083   |
| D. Dow VA, LLC                       | 1580 Mall Drive                         | Norfolk            | Virginia | 23511 | 757-440-2365   |
| D. Dow VA, LLC                       | 1600 Premium Outlet Boulevard, Spc. 862 | Norfolk            | Virginia | 23502 | 607-426-3480   |
| Mahesh Patel                         | 7530 Tidewater Dr                       | Norfolk            | Virginia | 23505 | (757) 531-0606 |
| MarLor, Inc.                         | 11500 Midlothian Tpke                   | North Chesterfield | Virginia | 23235 | 804-378-5071   |
| Bhatti LLC                           | 4200 Portsmouth Boulevard               | Portsmouth         | Virginia | 23321 | 757-4655006    |
| Tran Atlantic Team, LLC              | 620 John Paul Jones Cir                 | Portsmouth         | Virginia | 23708 | 757-9535000    |
| Morgan Franchises, LLC               | 11800 W Broad St                        | Richmond           | Virginia | 23233 | 804-364-9660   |
| Fresh Dining Concepts LLC            | 4802 Valley View Boulevard NW           | Roanoke            | Virginia | 24012 | 888-484-5450   |
| Tanner Investments, Ltd.             | 6745 Springfield Mall                   | Springfield        | Virginia | 22150 | 703-313-9590   |



| Franchisee                         | Address                                 | City           | State      | Zip   | Telephone    |
|------------------------------------|---|----------------|------------|-------|--------------|
| Tanner Investments, Ltd.           | 6540 Springfield Mall                   | Springfield    | Virginia   | 22150 | 703-313-6111 |
| Impeccable Bakes Newport News Inc. | 1750 Tomcat Boulevard                   | Virginia Beach | Virginia   | 23460 | 757-428-0716 |
| Vincent Au Yeung                   | 701 Lynnhaven Pkwy                      | Virginia Beach | Virginia   | 23452 | 757-975-8724 |
| Warren Smith                       | 1802 Atlantic Ave.                      | Virginia Beach | Virginia   | 23451 | 757-937-6421 |
| BK Cowan II LLC                    | 116 Lucy Ln                             | Waynesboro     | Virginia   | 22980 | 540-932-2500 |
| MBD Inc.                           | 5645 Richmond Road                      | Williamsburg   | Virginia   | 23188 | 757-220-4250 |
| Impeccable Bakes Winchester Inc.   | 1850 Apple Blossom Drive                | Winchester     | Virginia   | 22601 | 540-686-7034 |
| Sky's The Limit of Maryland, Inc.  | 2700 Potomac Mills Circle               | Woodbridge     | Virginia   | 22192 | 703-497-3127 |
| Sky's The Limit of Maryland, Inc.  | 2700 Potomac Mills Cir                  | Woodbridge     | Virginia   | 22191 | 703-492-9966 |
| Sky's The Limit of Maryland, Inc.  | 2700 Potomac Mills Cir                  | Woodbridge     | Virginia   | 22192 | 571-408-4347 |
| Jai Ganesh AAR Inc.                | 2601 George Washington Memorial Highway | Yorktown       | Virginia   | 23693 | 757-867-7935 |
| Ahed Aziz                          | Auntie Anne's Inside Wal-Mart           | Auburn         | Washington | 98001 | 206-550-0460 |
| Prezalter-Northwest, LLC           | 1101 Outlet Collection Way              | Auburn         | Washington | 98001 | 253-735-8228 |
| Prezalter-Northwest, LLC           | 1101 Outlet Collection Way              | Auburn         | Washington | 98001 | 253-735-8228 |
| Prezalter-Northwest, LLC           | Space 2040 Bellevue Square              | Bellevue       | Washington | 98004 | 425-637-8990 |
| Kumar Prem Services, Inc.          | 1 Bellis Fair Parkway #436              | Bellingham     | Washington | 98226 | 360-714-8258 |
| Prezalter-Northwest, LLC           | Building #5280                          | Fort Lewis     | Washington | 98433 | 253-212-2094 |
| CGARO GROUP LLC                    | 1321 N Columbia Center Blvd             | Kennewick      | Washington | 99336 | 509-783-4088 |
| Pretzelqueen Live, LLC             | 1321 N Columbia Center Blvd             | Kennewick      | Washington | 99336 | 509-783-4247 |
| Prezalter-Northwest, LLC           | 3000 184th Str, Spc #856                | Lynnwood       | Washington | 98037 | 425-771-4892 |
| Prezalter-Northwest, LLC           | 3000 184th Str, Spc #354                | Lynnwood       | Washington | 98037 | 425-771-6850 |
| Prezalter-Northwest, LLC           | 3500 S Meridian Spc 425                 | Puyallup       | Washington | 98373 | 253-841-0455 |
| Prezalter-Northwest, LLC           | 1120 Southcenter Mall                   | Seattle        | Washington | 98188 | 206-453-5261 |
| Prezalter-Northwest, LLC           | 546 Southcenter Mall                    | Seattle        | Washington | 98188 | 206-453-5489 |
| Sweet N Salty, Inc.                | 14700 E Indiana Ave                     | Spokane        | Washington | 99216 | 509-891-7077 |
| Prezalter-Northwest, LLC           | 4502 S Steel St                         | Tacoma         | Washington | 98409 | 253-476-1389 |
| WVS, LLC                           | 10600 Quil Ceda Blvd, Ste 312           | Tulalip        | Washington | 98271 | 360-716-2794 |
| WVS, LLC                           | 10600 Quil Ceda Blvd. Suite 750         | Tulalip        | Washington | 98271 | 3607162405   |

| Franchisee                     | Address                                 | City          | State         | Zip        | Telephone      |
|--------------------------------|---|---------------|---------------|------------|----------------|
| Twistee Treats Inc.            | 2529 Main Str, B-3                      | Union Gap     | Washington    | 98903      | 509-249-6221   |
| Romel Gregorio                 | Space K9011                             | Vancouver     | Washington    | 98662      | 360-896-3696   |
| Chestnut Land Company          | 400 Mall Rd, Unit 735                   | Barboursville | West Virginia | 25504      | 304-733-6890   |
| Maverick Enterprises, Inc.     | 2399 Meadowbrook Rd                     | Bridgeport    | West Virginia | 26330      | 304-842-5920   |
| Panhandle Pretzels LLC         | 800 Foxcroft Ave.                       | Martinsburg   | West Virginia | 25401      | (614) 307-4661 |
| Maverick Enterprises, Inc.     | 9323 Mall Rd                            | Morgantown    | West Virginia | 26501      | 304-983-6175   |
| Fresh Dining Concepts LLC      | 2 Crossroads Mall                       | Mount Hope    | West Virginia | 25880      | 888-484-5450   |
| FGA Enterprises, Inc.          | 100 Grand Central Ave, Spc F245         | Vienna        | West Virginia | 26105      | 304-422-5858   |
| CNR PRETZEL TWIST, INC.        | 210 Gasser Road                         | Baraboo       | Wisconsin     | 53913      | 6082533574     |
| V & J CENTER, LLC              | 95 N Moorland Rd, Space A-60            | Brookfield    | Wisconsin     | 53005      | 262-754-9166   |
| Best Pretzels, LLC             | 185 Bay Park Square                     | Green Bay     | Wisconsin     | 54304      | 920-497-0467   |
| Fresh Dining Concepts LLC      | 5300 South 76th St                      | Greendale     | Wisconsin     | 53129      | 414-421-5398   |
| CNR PRETZEL TWIST, INC.        | 2500 Milton Avenue                      | Janesville    | Wisconsin     | 53545      | 608-752-6088   |
| Twisted Pretzel, Inc.          | 9 West Towne Mall                       | Madison       | Wisconsin     | 53719      | 608-829-0640   |
| Twisted Pretzel, Inc.          | 115 East Towne Mall                     | Madison       | Wisconsin     | 53704-3744 | 608-240-9622   |
| MC LAB Enterprises LLC         | 1614 Wisconsin Avenue                   | Milwaukee     | Wisconsin     | 53203      | 414-988-4111   |
| V & J Center, LLC              | 6933 W. Brown Deer Road<br>(Commissary) | Milwaukee     | Wisconsin     | 53222      | 4143659004     |
| V&J Airport Food Services, LLC | 5300 S. Howell Ave                      | Milwaukee     | Wisconsin     | 53207      | 414-481-9411   |
| V & J CENTER, LLC              | 3001 S. Washburn, Suite C30             | Oshkosh       | Wisconsin     | 54904      | 920-385-7469   |
| CNR PRETZEL TWIST, INC.        | 5538 Durand Ave                         | Racine        | Wisconsin     | 53406      | 2625980440     |
| Fresh Dining Concepts LLC      | 2500 N Mayfair Rd                       | Wauwatosa     | Wisconsin     | 53226      | 414-778-2066   |
| Gajanan Foods LLC              | 1515 West Paradise Dr                   | West Bend     | Wisconsin     | 53095      | 262-334-9430   |

The names, locations, and telephone numbers of our franchisees that have not yet opened their Shops as of December 31, 2021 are as follows:

| Shop #           | Franchisee                    | City   | State   | Telephone      |
|------------------|-------------------------------|--------|---------|----------------|
| USA-SE-AA-AL-134 | Kurt Wilson, Michael Santiana | Auburn | Alabama | (470) 709-2104 |

| Shop #           | Franchisee                       | City            | State                | Telephone      |
|------------------|----------------------------------|-----------------|----------------------|----------------|
| USA-SE-AA-AL-135 | Milap Maniar                     | Gadsden         | Alabama              | (915) 833-6174 |
| USA-SE-AA-AL-132 | Pilot Travel Centers LLC         | Hope Hull       | Alabama              | (865) 474-2987 |
| USA-W-AA-CA-257  | Trifecta Brands, LLC             | Elk Grove       | California           | (415) 728-1761 |
| USA-W-AA-CA-259  | Trifecta Brands, LLC             | Elk Grove       | California           | (415) 728-1761 |
| USA-W-AA-CA-243  | Pilot Travel Centers LLC         | Madera          | California           | (865) 474-3009 |
| USA-W-AA-CA-258  | Trifecta Brands, LLC             | Sacramento      | California           | (415) 728-1761 |
| USA-W-AA-CA-254  | Valley Juice, LLC                | San Leandro     | California           | (925) 201-5946 |
| USA-W-AA-CO-125  | H&V Juice LLC                    | Broomfield      | Colorado             | (720) 382-9288 |
| USA-W-AA-CO-123  | Parul Darji, Nilesh Darji        | Greeley         | Colorado             | (720) 382-9288 |
| USA-W-AA-CO-124  | Parul Darji, Nilesh Darji        | Westminster     | Colorado             | (720) 382-9288 |
| USA-NE-AA-CT-124 | MCCT ENTERPRISES, LLC            | Darien          | Connecticut          | (631) 379-3829 |
| USA-NE-AA-CT-125 | MCCT ENTERPRISES, LLC            | Madison         | Connecticut          | (631) 379-3829 |
| USA-NE-AA-CT-120 | ALL ABOUT FOODS GROUP INC.       | Windsor Locks   | Connecticut          | (917) 536-3918 |
| USA-MA-AA-DE-122 | Riyad Omar                       | Newark          | Delaware             | (410) 289-5005 |
| USA-MA-AA-DC-115 | Amit Sehgal                      | Washington      | District of Columbia | (631) 574-7700 |
| USA-SE-AA-FL-289 | Brian Hahn, Esterlita Puro       | Hollywood       | Florida              | (561) 603-4638 |
| USA-SE-AA-FL-290 | Mitash Kripalani, Erum Kripalani | Miami           | Florida              | (786) 271-5598 |
| USA-SE-AA-FL-184 | CHESTNUT LAND COMPANY            | Orlando         | Florida              | (330) 729-7403 |
| USA-SE-AA-FL-278 | Host International, Inc.         | Orlando         | Florida              | (240) 694-4435 |
| USA-SE-AA-FL-283 | Paul Thompson, Giselle Thompson  | St. Augustine   | Florida              | (904) 217-4369 |
| USA-SE-AA-FL-288 | Fresh Dining Concepts LLC        | West Palm Beach | Florida              | (786) 369-0471 |
| USA-SE-AA-GA-162 | Company-Owned                    | Atlanta         | Georgia              | (909) 518-3050 |
| USA-SE-AA-GA-155 | Sugar-Shock Soldier, LLC         | Gainesville     | Georgia              | (770) 965-7260 |
| USA-SE-AA-GA-156 | Sugar-Shock Soldier, LLC         | Lula            | Georgia              | (770) 965-7260 |
| USA-SE-AA-GA-167 | Michael Santiana, Kurt Wilson    | Marietta        | Georgia              | (404) 431-6614 |
| USA-SE-AA-GA-154 | Sugar-Shock Soldier, LLC         | Marietta        | Georgia              | (770) 965-7260 |
| USA-SE-AA-GA-166 | Chestnut Land Company            | Savannah        | Georgia              | (330) 729-7403 |
| USA-W-AA-ID-104  | Trees Company LLC                | Meridian        | Idaho                | (208) 313-3985 |
| USA-W-AA-ID-106  | Trees Company LLC                | Meridian        | Idaho                | (208) 313-3985 |

| Shop #           | Franchisee                        | City           | State      | Telephone      |
|------------------|-----------------------------------|----------------|------------|----------------|
| USA-MW-AA-IL-179 | Tyson Minnick                     | La Grange      | Illinois   | (312) 613-4965 |
| USA-MW-AA-IN-135 | Pilot Travel Centers LLC          | Hebron         | Indiana    | (865) 474-2987 |
| USA-MW-AA-KS-109 | Jeremy McDowell                   | Olathe         | Kansas     | (913) 980-4111 |
| USA-MW-AA-KS-110 | Jeremy McDowell                   | Overland Park  | Kansas     | (913) 980-4111 |
| USA-MW-AA-KS-111 | Jeremy McDowell                   | Shawnee        | Kansas     | (913) 980-4111 |
| USA-MW-AA-KY-128 | 21 Cheese Sticks, Inc.            | Bowling Green  | Kentucky   | (270) 608-4750 |
| USA-MW-AA-KY-126 | Tweed-Hardesty LLC                | Elizabethtown  | Kentucky   | (502) 510-2306 |
| USA-MW-AA-KY-127 | Tweed-Hardesty LLC                | Elizabethtown  | Kentucky   | (502) 510-2306 |
| USA-NE-AA-ME-104 | HMS Host Family Restaurants, Inc. | Kennebunkport  | Maine      | (240) 694-4435 |
| USA-NE-AA-ME-106 | Jake A. Williams                  | South Portland | Maine      | (203) 940-0545 |
| USA-NE-AA-ME-105 | HMS Host Family Restaurants, Inc. | West Gardiner  | Maine      | (240) 694-4435 |
| USA-MA-AA-MD-183 | Haider Ali Memon, Fatima Rafique  | Baltimore      | Maryland   | (347) 605-3390 |
| USA-MA-AA-MD-188 | Kiriakos Nikoletos                | Dundalk        | Maryland   | (410) 952-8709 |
| USA-MA-AA-MD-185 | Dharmesh Shah                     | Gaithersburg   | Maryland   | (770) 652-9909 |
| USA-MA-AA-MD-182 | Haider Ali Memon, Fatima Rafique  | Oxon Hill      | Maryland   | (347) 605-3390 |
| USA-MA-AA-MD-184 | Haider Ali Memon, Fatima Rafique  | Towson         | Maryland   | (347) 605-3390 |
| USA-MW-AA-MI-148 | ABBASCO, LLC                      | Dearborn       | Michigan   | (313) 522-4333 |
| USA-MW-AA-MI-146 | HKJ Holdings LLC                  | East Lansing   | Michigan   | (313) 522-4333 |
| USA-MW-AA-MI-147 | HKJ HOLDINGS LLC                  | Taylor         | Michigan   | (313) 522-4333 |
| USA-MW-AA-MO-146 | Pina Kshirsagar                   | Hazelwood      | Missouri   | (573) 769-2007 |
| USA-W-AA-NV-129  | Freshly Baked LLC                 | Las Vegas      | Nevada     | (702) 859-7199 |
| USA-W-AA-NV-131  | Rancho Mesquite Casino, Inc.      | Mesquite       | Nevada     | (702) 406-3406 |
| USA-NE-AA-NJ-239 | Pretzel New Brunswick LLC         | New Brunswick  | New Jersey | 862-228-2811   |
| USA-NE-AA-NJ-237 | UNITED GROUP RETAIL LLC           | Paramus        | New Jersey | (201) 621-3529 |
| USA-NE-AA-NJ-238 | UNITED GROUP RETAIL LLC           | Paramus        | New Jersey | (201) 621-3529 |
| USA-NE-AA-NJ-223 | LOCATIONS XX INC                  | Piscataway     | New Jersey | (732) 933-8595 |
| USA-NE-AA-NJ-224 | LOCATIONS XX INC                  | Piscataway     | New Jersey | (732) 933-8595 |
| USA-NE-AA-NJ-240 | Manish Khanna                     | Princeton      | New Jersey | (732) 735-1367 |

| Shop #           | Franchisee                                   | City            | State          | Telephone           |
|------------------|--|-----------------|----------------|---------------------|
| USA-W-AA-NM-109  | Magdalena Hermsillo, Thomas Joseph Hermsillo | Las Cruces      | New Mexico     | (915) 539-8263      |
| USA-NE-AA-NY-276 | Applegreen NY Travel Plazas, LLC             | Angola          | New York       | 353 (0) 86 251 2556 |
| USA-NE-AA-NY-265 | Apkay Corporation                            | Bronx           | New York       | (845) 538-9630      |
| USA-NE-AA-NY-281 | Mohammed Ali Razai                           | Bronx           | New York       | (917) 291-5340      |
| USA-NE-AA-NY-289 | Fresh Dining Concepts LLC                    | Brooklyn        | New York       | (786) 369-0471      |
| USA-NE-AA-NY-290 | Fresh Dining Concepts LLC                    | Brooklyn        | New York       | (786) 369-0471      |
| USA-NE-AA-NY-291 | Fresh Dining Concepts LLC                    | Brooklyn        | New York       | (786) 369-0471      |
| USA-NE-AA-NY-272 | Mohammed Ali Razai                           | Brooklyn        | New York       | (917) 291-5340      |
| USA-NE-AA-NY-279 | Mohammed Ali Razai                           | Brooklyn        | New York       | (917) 291-5340      |
| USA-NE-AA-NY-274 | Applegreen NY Travel Plazas, LLC             | Clifton Springs | New York       | 353 (0) 86 251 2556 |
| USA-NE-AA-NY-252 | M & R Concessions LLC                        | Jamaica         | New York       | (646) 389-5712      |
| USA-NE-AA-NY-259 | ARTEA CULINARY GROUP LLC                     | New York        | New York       | (646) 915-6622      |
| USA-NE-AA-NY-283 | Fresh Dining Concepts LLC                    | New York        | New York       | (786) 369-0471      |
| USA-NE-AA-NY-292 | Fresh Dining Concepts LLC                    | New York        | New York       | (786) 369-0471      |
| USA-NE-AA-NY-266 | PENN FOOD CONCEPTS LLC                       | New York        | New York       | (212) 244-4467      |
| USA-NE-AA-NY-267 | PENN FOOD CONCEPTS LLC                       | New York        | New York       | (212) 244-4467      |
| USA-NE-AA-NY-268 | UNITED GROUP RETAIL LLC                      | New York        | New York       | (201) 621-3529      |
| USA-NE-AA-NY-269 | UNITED GROUP RETAIL LLC                      | New York        | New York       | (201) 621-3529      |
| USA-NE-AA-NY-270 | UNITED GROUP RETAIL LLC                      | New York        | New York       | (201) 621-3529      |
| USA-NE-AA-NY-284 | Fresh Dining Concepts LLC                    | Queens          | New York       | (786) 369-0471      |
| USA-NE-AA-NY-285 | Fresh Dining Concepts LLC                    | Queens          | New York       | (786) 369-0471      |
| USA-NE-AA-NY-286 | Fresh Dining Concepts LLC                    | Queens          | New York       | (786) 369-0471      |
| USA-NE-AA-NY-287 | Fresh Dining Concepts LLC                    | Queens          | New York       | (786) 369-0471      |
| USA-NE-AA-NY-288 | Fresh Dining Concepts LLC                    | Queens          | New York       | (786) 369-0471      |
| USA-NE-AA-NY-280 | Mohammed Ali Razai                           | Queens          | New York       | (917) 291-5340      |
| USA-NE-AA-NY-275 | Applegreen NY Travel Plazas, LLC             | Wallkill        | New York       | 353 (0) 86 251 2556 |
| USA-SE-AA-NC-153 | Sheena's Smoothies 1, LLC                    | Boone           | North Carolina | (248) 655-7072      |

| Shop #           | Franchisee                                     | City            | State          | Telephone      |
|------------------|--|-----------------|----------------|----------------|
| USA-SE-AA-NC-150 | Compass Group USA, Inc.                        | Charlotte       | North Carolina | (303) 929-2313 |
| USA-SE-AA-NC-154 | Leia Williams, Deborah Barnes, Leslee Williams | Greensboro      | North Carolina | (336) 691-2408 |
| USA-MW-AA-OH-211 | Darsh Patel, Sandip Patel                      | Cleveland       | Ohio           | (216) 820-5810 |
| USA-MW-AA-OH-199 | Twisted Tiger Holdings L.L.C.                  | Dayton          | Ohio           | (937) 223-8888 |
| USA-MW-AA-OH-198 | Pilot Travel Centers LLC                       | Hubbard         | Ohio           | (865) 474-2987 |
| USA-MW-AA-OH-212 | AA & JP Enterprise LLC                         | Mason           | Ohio           | (904) 729-8074 |
| USA-MW-AA-OH-196 | The Columbus Zoological Park Association, Inc. | Powell          | Ohio           | (614) 724-3443 |
| USA-W-AA-OR-109  | Pilot Travel Centers LLC                       | Central Point   | Oregon         | (865) 474-3009 |
| USA-W-AA-OR-112  | Rogue Smoothies, Inc.                          | Grants Pass     | Oregon         | (541) 941-0982 |
| USA-W-AA-OR-111  | Rogue Smoothies, Inc.                          | Medford         | Oregon         | (541) 941-0982 |
| USA-MA-AA-PA-346 | Manish Khanna                                  | Bryn Mawr       | Pennsylvania   | (732) 735-1367 |
| USA-MA-AA-PA-338 | OMSAINATH INC                                  | Lahaska         | Pennsylvania   | (215) 869-9048 |
| USA-MA-AA-PA-345 | Hissan Khalid Inc.                             | Lancaster       | Pennsylvania   | (410) 409-6136 |
| USA-SE-AA-TN-151 | Pilot Travel Centers LLC                       | Hurricane Mills | Tennessee      | (865) 474-2987 |
| USA-SE-AA-TN-152 | Host International, Inc.                       | Knoxville       | Tennessee      | (240) 694-4435 |
| USA-W-AA-TX-239  | DNA Brand LLC                                  | Arlington       | Texas          | (817) 917-7755 |
| USA-W-AA-TX-240  | DNA Brand LLC                                  | Arlington       | Texas          | (817) 917-7755 |
| USA-W-AA-TX-265  | Six Flags Entertainment Corporation            | Arlington       | Texas          | (972) 595-5034 |
| USA-W-AA-TX-266  | Six Flags Entertainment Corporation            | Arlington       | Texas          | (972) 595-5034 |
| USA-W-AA-TX-254  | ABJJG LLC                                      | Cedar Park      | Texas          | (512) 351-1375 |
| USA-W-AA-TX-238  | DNA Brand LLC                                  | Dallas          | Texas          | (817) 917-7755 |
| USA-W-AA-TX-253  | LINRFA FRESH LLC                               | Denton          | Texas          | (870) 275-1982 |
| USA-W-AA-TX-256  | BLENDII LLC                                    | Forney          | Texas          | (903) 574-4849 |
| USA-W-AA-TX-248  | Craig Morris                                   | Fort Worth      | Texas          | (817) 946-0774 |
| USA-W-AA-TX-251  | LINRFA FRESH LLC                               | Frisco          | Texas          | (870) 275-1982 |
| USA-W-AA-TX-258  | BLENDII LLC                                    | Garland         | Texas          | (903) 574-4849 |
| USA-W-AA-TX-267  | KAIROS ENERGY RESEARCH LLC                     | Garland         | Texas          | (815) 666-2115 |
| USA-W-AA-TX-252  | LINRFA FRESH LLC                               | Lewisville      | Texas          | (870) 275-1982 |

| Shop #           | Franchisee  | City          | State      | Telephone      |
|------------------|---|---------------|------------|----------------|
| USA-W-AA-TX-261  | BLENDII LLC   | Longview      | Texas      | (903) 574-4849 |
| USA-W-AA-TX-255  | BLENDII LLC   | McKinney      | Texas      | (903) 574-4849 |
| USA-W-AA-TX-259  | BLENDII LLC   | Mesquite      | Texas      | (903) 574-4849 |
| USA-W-AA-TX-250  | Cactus & Ming LLC   | New Braunfels | Texas      | (614) 439-3651 |
| USA-W-AA-TX-263  | Cowtown Smoothies, LLC  | Saginaw       | Texas      | (817) 608-6123 |
| USA-W-AA-TX-264  | PC-AA TX RIVERCENTER LLC                                      | San Antonio   | Texas      | (806) 785-1799 |
| USA-W-AA-TX-249  | Cactus & Ming LLC   | Shertz        | Texas      | (614) 439-3651 |
| USA-W-AA-TX-260  | BLENDII LLC   | Terrell       | Texas      | (903) 574-4849 |
| USA-W-AA-TX-257  | BLENDII LLC   | Tyler         | Texas      | (903) 574-4849 |
| USA-W-AA-TX-262  | BLENDII LLC   | Wylie         | Texas      | (903) 574-4849 |
| USA-W-AA-UT-115  | Adam Garfield, Julie Garfield, Nathan Bracken, Miriam Bracken | Draper        | Utah       | (801) 830-5305 |
| USA-MA-AA-VA-186 | Riyad Omar  | Chincoteague  | Virginia   | (410) 289-5005 |
| USA-W-AA-WA-137  | Dallyn McLean, Cassidy McLean                                 | Moses Lake    | Washington | (408) 767-9504 |
| USA-MW-AA-WI-133 | TWISTED PRETZEL, INC.   | Madison       | Wisconsin  | (815) 575-5609 |

**EXHIBIT E**  
**INFORMATION ON FORMER FRANCHISEES**



**INFORMATION REGARDING FORMER FRANCHISEES  
THAT LEFT THE SYSTEM IN THE FISCAL YEAR ENDING ON DECEMBER 31, 2021**

**Transfers**

| <b>Shop #</b>    | <b>Former Franchisee</b>      | <b>City</b>     | <b>State</b>  | <b>Telephone</b> |
|------------------|-------------------------------|-----------------|---------------|------------------|
| USA-SE-AA-AL-108 | H & Y Pretzel Bakery, Inc.    | Montgomery      | Alabama       | (334) 318-8689   |
| USA-W-AA-AZ-106  | Double P Corporation          | Chandler        | Arizona       | (314) 892-9135   |
| USA-W-AA-AZ-111  | RF Foods, Inc.                | Scottsdale      | Arizona       | (978) 660-9211   |
| USA-W-AA-AZ-101  | Double P Corporation          | Tempe           | Arizona       | (314) 892-9135   |
| USA-SE-AA-AR-114 | AR Pretzels, LLC              | Little Rock     | Arkansas      | (501) 771-7749   |
| USA-W-AA-CA-248  | Tower Adams, Albert Rasho     | Calexico        | California    | (408) 458-6937   |
| USA-W-AA-CA-221  | Optima Pretzel Inc.           | EL Centro       | California    | (702) 339-5579   |
| USA-W-AA-CO-116  | Reynolds Restaurant Group LLC | Lakewood        | Colorado      | 303-956-5603     |
| USA-MA-AA-DE-113 | Host International, Inc.      | Newark          | Delaware      | (240) 694-4435   |
| USA-SE-AA-FL-239 | Shree StCloud LLC             | Ormond Beach    | Florida       | (804) 276-3900   |
| USA-MW-AA-IL-169 | Goetz Foods, Inc.             | Springfield     | Illinois      | (812) 243-2317   |
| USA-MW-AA-IN-132 | HMS Host Tollroads, Inc.      | Rolling Prairie | Indiana       | (240) 694-4435   |
| USA-MW-AA-IN-133 | HMS Host Tollroads, Inc.      | Rolling Prairie | Indiana       | (240) 694-4435   |
| USA-SE-AA-LA-117 | NDS Food Empire LLC           | Bossier City    | Louisiana     | (830) 422-4628   |
| USA-SE-AA-LA-123 | NDS Food Empire LLC           | Bossier City    | Louisiana     | (830) 422-4628   |
| USA-NE-AA-ME-101 | Host International, Inc.      | Kennebunk       | Maine         | (240) 694-4435   |
| USA-MA-AA-MD-175 | Iconic Retail, Inc.           | Temple Hills    | Maryland      | (443) 790-3662   |
| USA-NE-AA-MA-110 | PFMG, LLC                     | Boston          | Massachusetts | (617) 332-4443   |
| USA-MW-AA-MI-122 | B & B PRETZELS, INC.          | Novi            | Michigan      | (248) 358-1655   |
| USA-MW-AA-MI-135 | B & B PRETZELS, INC.          | Novi            | Michigan      | (248) 358-1655   |
| USA-MW-AA-MO-133 | HMR Pretzel, L.L.C.           | Columbia        | Missouri      | (512) 716-0342   |
| USA-NE-AA-NH-102 | K.P. Ventures, LLC            | Manchester      | New Hampshire | 603 886-3503     |
| USA-NE-AA-NH-101 | K.P. Ventures, LLC            | Nashua          | New Hampshire | 603 886-3503     |
| USA-NE-AA-NJ-173 | HMS Host Tollroads, Inc.      | Absecon         | New Jersey    | (240) 694-4435   |
| USA-NE-AA-NJ-146 | Host International, Inc.      | Cherry Hill     | New Jersey    | (240) 694-4435   |

| <b>Shop #</b>    | <b>Former Franchisee</b>        | <b>City</b>        | <b>State</b>   | <b>Telephone</b> |
|------------------|---------------------------------|--------------------|----------------|------------------|
| USA-NE-AA-NJ-199 | HMS Host USA, Inc.              | Columbia           | New Jersey     | (240) 694-4435   |
| USA-NE-AA-NJ-145 | Host International, Inc.        | Cranbury Township  | New Jersey     | (240) 694-4435   |
| USA-NE-AA-NJ-210 | HMS Host Tollroads, Inc.        | East Brunswick     | New Jersey     | (240) 694-4435   |
| USA-NE-AA-NJ-165 | Nirav Patel                     | Hamilton           | New Jersey     | 610-802-1480     |
| USA-NE-AA-NJ-135 | Kevco Snacks, Inc.              | Jersey City        | New Jersey     | 914 260-8199     |
| USA-NE-AA-NJ-194 | Kevco Snacks, Inc.              | Jersey City        | New Jersey     | 914 260-8199     |
| USA-NE-AA-NJ-141 | Kevco Foods One, Inc.           | Livingston         | New Jersey     | 914 260-8199     |
| USA-NE-AA-NJ-181 | Manpreet Grewal                 | Marlton            | New Jersey     | (609) 558-7900   |
| USA-NE-AA-NJ-182 | Host International, Inc.        | Montvale           | New Jersey     | (240) 694-4435   |
| USA-NE-AA-NJ-147 | Host International, Inc.        | Mt Laurel Township | New Jersey     | (240) 694-4435   |
| USA-NE-AA-NJ-152 | Host International, Inc.        | Penns Grove        | New Jersey     | (240) 694-4435   |
| USA-NE-AA-NJ-176 | Host International, Inc.        | Penns Grove        | New Jersey     | (240) 694-4435   |
| USA-NE-AA-NJ-157 | Host International, Inc.        | South Amboy        | New Jersey     | (240) 694-4435   |
| USA-NE-AA-NJ-232 | Host International, Inc.        | Trenton            | New Jersey     | (240) 694-4435   |
| USA-NE-AA-NJ-197 | Jaggarao Velugula, Venkat Emani | Vineland           | New Jersey     | (856) 692-1930   |
| USA-NE-AA-NJ-212 | HMS Host Tollroads, Inc.        | Wall Township      | New Jersey     | (240) 694-4435   |
| USA-NE-AA-NJ-202 | Host International, Inc.        | Woodbridge         | New Jersey     | (240) 694-4435   |
| USA-NE-AA-NJ-206 | Host International, Inc.        | Woodbridge         | New Jersey     | (240) 694-4435   |
| USA-NE-AA-NY-110 | D. Dow, Inc.                    | Horseheads         | New York       | 607 426-3480     |
| USA-NE-AA-NY-260 | Great Bons, Inc.                | Queens             | New York       | (518) 325-9717   |
| USA-SE-AA-NC-120 | GYA FOODS LLC                   | Fayetteville       | North Carolina | (702) 525-6148   |
| USA-MW-AA-OH-202 | HMS Host Tollroads, Inc.        | Amherst            | Ohio           | (240) 694-4435   |
| USA-MW-AA-OH-203 | HMS Host Tollroads, Inc.        | Amherst            | Ohio           | (240) 694-4435   |
| USA-MW-AA-OH-139 | Peet's Twists, LLC              | Columbus           | Ohio           | (614) 898-0979   |
| USA-MW-AA-OH-204 | HMS Host Tollroads, Inc.        | Vickery            | Ohio           | (240) 694-4435   |
| USA-MW-AA-OH-205 | HMS Host Tollroads, Inc.        | Vickery            | Ohio           | (240) 694-4435   |
| USA-W-AA-OR-101  | SHENANDOAH ASSOCIATES, INC.     | Salem              | Oregon         | 503 650-5342     |
| USA-W-AA-OR-106  | SHENANDOAH ASSOCIATES, INC.     | Salem              | Oregon         | 503 650-5342     |
| USA-MA-AA-PA-261 | Host International, Inc.        | Allentown          | Pennsylvania   | (240) 694-4435   |

| <b>Shop #</b>    | <b>Former Franchisee</b>     | <b>City</b>     | <b>State</b>   | <b>Telephone</b> |
|------------------|------------------------------|-----------------|----------------|------------------|
| USA-MA-AA-PA-299 | Kalpesh Bhuvu, Kaushik Patel | Hanover         | Pennsylvania   | (510) 710-4938   |
| USA-MA-AA-PA-260 | Host International, Inc.     | Jim Thorpe      | Pennsylvania   | (240) 694-4435   |
| USA-MA-AA-PA-164 | ROM Co.                      | Johnstown       | Pennsylvania   | (814) 269-2142   |
| USA-MA-AA-PA-322 | ROM Co.                      | Johnstown       | Pennsylvania   | (814) 269-2142   |
| USA-MA-AA-PA-281 | Host International, Inc.     | King of Prussia | Pennsylvania   | (240) 694-4435   |
| USA-MA-AA-PA-284 | Host International, Inc.     | Middletown      | Pennsylvania   | (240) 694-4435   |
| USA-MA-AA-PA-266 | Host International, Inc.     | Newburg         | Pennsylvania   | (240) 694-4435   |
| USA-MA-AA-PA-188 | Shivani Food, LLC            | North Wales     | Pennsylvania   | (215) 385-2448   |
| USA-MA-AA-PA-248 | Shivani Food, LLC            | North Wales     | Pennsylvania   | (215) 385-2448   |
| USA-MA-AA-PA-267 | Host International, Inc.     | Plainfield      | Pennsylvania   | (240) 694-4435   |
| USA-MA-AA-PA-268 | Host International, Inc.     | Somerset        | Pennsylvania   | (240) 694-4435   |
| USA-MA-AA-PA-271 | Host International, Inc.     | Somerset        | Pennsylvania   | (240) 694-4435   |
| USA-MA-AA-PA-270 | Host International, Inc.     | Verona          | Pennsylvania   | (240) 694-4435   |
| USA-MA-AA-PA-262 | Host International, Inc.     | Waterfall       | Pennsylvania   | (240) 694-4435   |
| USA-SE-AA-SC-113 | Esbenshade, Inc.             | Greenville      | South Carolina | (864) 236-5190   |
| USA-SE-AA-SC-121 | Esbenshade, Inc.             | Greenville      | South Carolina | (864) 236-5190   |
| USA-W-AA-TX-135  | A Novel Idea, LLC            | San Antonio     | Texas          | (210) 852-4718   |
| USA-W-AA-TX-136  | A Novel Idea, LLC            | San Antonio     | Texas          | (210) 852-4718   |
| USA-W-AA-TX-175  | A Novel Idea, LLC            | San Antonio     | Texas          | (210) 852-4718   |
| USA-W-AA-TX-195  | A Novel Idea, LLC            | San Antonio     | Texas          | (210) 852-4718   |
| USA-W-AA-TX-108  | JAZ Pretz, LLC               | Waco            | Texas          | (818) 913-9333   |
| USA-MA-AA-VA-150 | Arth, Inc. 77                | Virginia Beach  | Virginia       | (757) 647-0619   |
| USA-MA-AA-WV-110 | M & M Ventures, Inc.         | Martinsburg     | West Virginia  | (240) 476-0064   |

**Terminated, Not Renewed or Left The System-Other (Shop Previously Opened) in Fiscal Year 2021**

| Shop #           | Franchisee                          | City          | State         | Telephone      | Category    |
|------------------|-------------------------------------|---------------|---------------|----------------|-------------|
| USA-SE-AA-AL-113 | CHESTNUT LAND COMPANY               | Huntsville    | Alabama       | (330) 729-7403 | Termination |
| USA-W-AA-AK-103  | Prezalter-Northwest, LLC            | Anchorage     | Alaska        | (636) 236-5391 | Termination |
| USA-W-AA-AZ-118  | Grock Pretzels LLC                  | Phoenix       | Arizona       | 954-328-2954   | Termination |
| USA-W-AA-AZ-120  | Sodexo Operations, LLC              | Phoenix       | Arizona       | (301) 987-4924 | Termination |
| USA-W-AA-CA-157  | E.Taylor & S.Wang Enterprises, Inc. | Pleasanton    | California    | (919) 608-3752 | Termination |
| USA-W-AA-CA-184  | Double P Corporation                | San Francisco | California    | (314) 892-9135 | Termination |
| USA-W-AA-CA-217  | Mrudang Patel                       | Suisun City   | California    | 707-628-8577   | Termination |
| USA-NE-AA-CT-103 | YARAS LLC                           | Waterford     | Connecticut   | 860-440-3711   | Termination |
| USA-SE-AA-FL-264 | NOBA83, LLC                         | Boca Raton    | Florida       | (561) 609-2887 | Termination |
| USA-SE-AA-FL-199 | 2 Sweet of Florida, Inc.            | Miami         | Florida       | (516) 597-4454 | Termination |
| USA-SE-AA-GA-141 | Pretzel Nation, Inc.                | Centerville   | Georgia       | (678) 571-4200 | Termination |
| USA-SE-AA-GA-160 | 2M Hospitality Corporation          | Holly Springs | Georgia       | 678-908-6801   | Termination |
| USA-MW-AA-IL-108 | Double P Corporation                | Bloomington   | Illinois      | (314) 892-9135 | Termination |
| USA-MW-AA-IL-125 | Goetz Foods, Inc.                   | Springfield   | Illinois      | (812) 243-2317 | Termination |
| USA-MW-AA-IL-134 | Double P Corporation                | West Dundee   | Illinois      | (314) 892-9135 | Termination |
| USA-MW-AA-IN-123 | AJB Rolling, LLC                    | Auburn        | Indiana       | 260-450-2345   | Termination |
| USA-MW-AA-KS-108 | Parra Pretzel Truck, LLC            | Overland Park | Kansas        | (913) 258-5692 | Termination |
| USA-MW-AA-KY-122 | JAS and BRE LLC                     | Lexington     | Kentucky      | (513) 421-8500 | Termination |
| USA-NE-AA-ME-101 | Applegreen ME Welcome Centres LLC   | Kennebunk     | Maine         | 207-994-2277   | Termination |
| USA-MA-AA-MD-121 | FOURTH INVESTMENT, LTD.             | Gaithersburg  | Maryland      | (703) 690-2347 | Termination |
| USA-MA-AA-MD-155 | Impeccable Bakes Glen Burnie Inc.   | Glen Burnie   | Maryland      | 410-582-9350   | Termination |
| USA-NE-AA-MA-139 | CHESTNUT LAND COMPANY               | Saugus        | Massachusetts | (330) 729-7403 | Termination |
| USA-NE-AA-MA-145 | Compass Group USA, Inc.             | Worcester     | Massachusetts | (408) 831-5686 | Termination |
| USA-SE-AA-MS-107 | Loyd's Good Eats, LLC               | Ridgeland     | Mississippi   | (773) 931-6534 | Termination |
| USA-MW-AA-MO-113 | Bhatti LLC                          | Osage Beach   | Missouri      | 240-361-8013   | Termination |
| USA-MW-AA-MO-114 | Profitable Pretzels LLC             | Springfield   | Missouri      | (314) 961-3677 | Termination |
| USA-MW-AA-MO-141 | S & P Owens, LLC                    | West Plains   | Missouri      | (417) 372-5971 | Termination |

| Shop #           | Franchisee                                    | City           | State          | Telephone      | Category    |
|------------------|---|----------------|----------------|----------------|-------------|
| USA-NE-AA-NY-159 | VJ & O'Neal Enterprises, LLC                  | Amherst        | New York       | 414-365-9003   | Termination |
| USA-NE-AA-NY-251 | HMS Host Family Restaurants, Inc.             | Little Falls   | New York       | (240) 694-4435 | Termination |
| USA-NE-AA-NY-184 | Host International, Inc.                      | New Baltimore  | New York       | (240) 694-4435 | Termination |
| USA-NE-AA-NY-200 | Delbert Brown                                 | New Hartford   | New York       | 315-982-0362   | Termination |
| USA-NE-AA-NY-185 | Host International, Inc.                      | Pattersonville | New York       | (240) 694-4435 | Termination |
| USA-NE-AA-NY-250 | HMS Host Family Restaurants, Inc.             | Sloatsburg     | New York       | (240) 694-4435 | Termination |
| USA-NE-AA-NY-126 | WP Pretzel Co LLC                             | White Plains   | New York       | (845) 527-8134 | Termination |
| USA-NE-AA-NY-127 | VJ & O'Neal Enterprises, LLC                  | Williamsville  | New York       | 414-365-9003   | Termination |
| USA-MW-AA-OH-192 | ARAMARK Food and Support Services Group, Inc. | Kent           | Ohio           | (215) 238-4013 | Termination |
| USA-MA-AA-PA-140 | ROM Co.                                       | Harrisburg     | Pennsylvania   | (631) 574-7700 | Termination |
| USA-MA-AA-PA-278 | ROM Co.                                       | Harrisburg     | Pennsylvania   | (814) 269-2142 | Termination |
| USA-MA-AA-PA-324 | Douglas Gible, Joanne Gible                   | Shillington    | Pennsylvania   | 484-529-0177   | Termination |
| USA-SE-AA-SC-114 | CHESTNUT LAND COMPANY                         | Bluffton       | South Carolina | (330) 729-7403 | Termination |
| USA-SE-AA-TN-125 | Host International, Inc.                      | Nashville      | Tennessee      | (240) 694-4435 | Termination |
| USA-W-AA-TX-225  | MINES RETAIL, LLC                             | Laredo         | Texas          | (210) 824-3892 | Termination |
| USA-W-AA-TX-117  | M.A.L., INC.                                  | Texarkana      | Texas          | (479) 452-5054 | Termination |
| USA-MA-AA-VA-149 | BK Cowan II LLC                               | Culpeper       | Virginia       | (434) 825-1421 | Termination |
| USA-MA-AA-VA-167 | ARAMARK Food and Support Services Group, Inc. | Harrisonburg   | Virginia       | (215) 238-4013 | Termination |
| USA-MA-AA-VA-137 | Direct Management Holdings, LLC               | Norfolk        | Virginia       | (703) 869-2298 | Termination |
| USA-MA-AA-VA-175 | Elite Forest Hill LLC                         | Richmond       | Virginia       | 804-647-0442   | Termination |
| USA-MA-AA-VA-131 | ARTH, Inc.                                    | Virginia Beach | Virginia       | (757) 647-0619 | Termination |
| USA-W-AA-WA-119  | Dough Dough, Inc.                             | East Wenatchee | Washington     | 509-879-0541   | Termination |
| USA-MW-AA-WI-128 | V & J CENTER, LLC                             | Oshkosh        | Wisconsin      | 414-365-9003   | Termination |
| USA-MW-AA-WI-125 | Narendra Patel                                | Wausau         | Wisconsin      | 847-903-4446   | Termination |

**Terminated or Left The System-Other (Shop Never Opened) in Fiscal Year 2021**

| <b>Shop #</b>    | <b>Former Franchisee</b>          | <b>City</b>    | <b>State</b>   | <b>Telephone</b> |
|------------------|-----------------------------------|----------------|----------------|------------------|
| USA-W-AA-CA-220  | Double P Corporation              | Elk Grove      | California     | (314) 892-9135   |
| USA-MA-AA-DE-119 | PAJAWA 1 Inc.                     | Rehoboth Beach | Delaware       | (585) 305-0277   |
| USA-SE-AA-FL-280 | Sun N' Fun Enterprises, Inc.      | Kissimmee      | Florida        | (727) 644-6277   |
| USA-SE-AA-FL-274 | SimWood, Inc.                     | Orlando        | Florida        | (415) 602-0770   |
| USA-SE-AA-FL-271 | NOBA271, LLC                      | St. Augustine  | Florida        | (561) 609-2887   |
| USA-SE-AA-FL-273 | NOBA271, LLC                      | St. Augustine  | Florida        | (561) 609-2887   |
| USA-MW-AA-IL-175 | Elior, Inc.                       | TBD            | Illinois       | 267.353.1555     |
| USA-MW-AA-IL-176 | Elior, Inc.                       | TBD            | Illinois       | 267.353.1555     |
| USA-MW-AA-IL-177 | Elior, Inc.                       | TBD            | Illinois       | 267.353.1555     |
| USA-SE-AA-LA-139 | Akshaykumar Solanki               | Gonzales       | Louisiana      | (484) 300-7256   |
| USA-SE-AA-LA-138 | Teresa Tran                       | Gretna         | Louisiana      | (228) 229-7243   |
| USA-NE-AA-NJ-203 | Host International, Inc.          | Newark         | New Jersey     | (240) 694-4435   |
| USA-NE-AA-NY-234 | Conway Retail Franchise Group LLC | Bronx          | New York       | (917) 589-1185   |
| USA-NE-AA-NY-235 | Conway Retail Franchise Group LLC | Brooklyn       | New York       | (917) 589-1185   |
| USA-NE-AA-NY-236 | Conway Retail Franchise Group LLC | Jamaica        | New York       | (917) 589-1185   |
| USA-NE-AA-NY-237 | Conway Retail Franchise Group LLC | New York       | New York       | (917) 589-1185   |
| USA-NE-AA-NY-238 | Conway Retail Franchise Group LLC | New York       | New York       | (917) 589-1185   |
| USA-NE-AA-NY-239 | Conway Retail Franchise Group LLC | New York       | New York       | (917) 589-1185   |
| USA-NE-AA-NY-240 | Conway Retail Franchise Group LLC | New York       | New York       | (917) 589-1185   |
| USA-NE-AA-NY-241 | Conway Retail Franchise Group LLC | New York       | New York       | (917) 589-1185   |
| USA-NE-AA-NY-242 | Conway Retail Franchise Group LLC | New York       | New York       | (917) 589-1185   |
| USA-NE-AA-NY-243 | Conway Retail Franchise Group LLC | New York       | New York       | (917) 589-1185   |
| USA-NE-AA-NY-244 | Conway Retail Franchise Group LLC | New York       | New York       | (917) 589-1185   |
| USA-NE-AA-NY-248 | Conway Retail Franchise Group LLC | New York       | New York       | (917) 589-1185   |
| USA-SE-AA-NC-145 | EAGLES ENTERPRISE LLC             | Cary           | North Carolina | (919) 341-2718   |
| USA-SE-AA-NC-146 | EAGLES ENTERPRISE LLC             | Cary           | North Carolina | (919) 341-2718   |
| USA-MA-AA-PA-342 | Amit Sehgal                       | Philadelphia   | Pennsylvania   | (631) 574-7700   |

| <b>Shop #</b>    | <b>Former Franchisee</b>          | <b>City</b>  | <b>State</b> | <b>Telephone</b> |
|------------------|-----------------------------------|--------------|--------------|------------------|
| USA-MA-AA-PA-343 | Amit Sehgal                       | Philadelphia | Pennsylvania | (631) 574-7700   |
| USA-W-AA-TX-226  | SHILOH RETAIL, LLC                | Laredo       | Texas        | (210) 824-3892   |
| USA-W-AA-TX-224  | TRAINER HALE IH 10 TRUCK STOP LLC | Marion       | Texas        | (210) 563-6343   |
| USA-MA-AA-VA-177 | Impeccable Bakes Manassas Inc.    | Richmond     | Virginia     | (631) 574-7700   |

**EXHIBIT F**  
**STATE ADMINISTRATORS**



## **CALIFORNIA**

Office of the Commissioner  
California Department of Financial Protection and  
Innovation  
320 West 4th Street, Suite 750  
Los Angeles, California 90013  
(866) 275-2677

## **FLORIDA**

Department of Agriculture and Consumer Services  
Division of Consumer Services  
Mayo Building, Second Floor  
Tallahassee, Florida 32399-0800  
(850) 922-2770

## **ILLINOIS**

Franchise Bureau  
Office of Attorney General  
State of Illinois  
500 South Second Street  
Springfield, Illinois 62706  
(217) 782-4465

## **MARYLAND**

Office of the Attorney General  
Securities Division  
200 St. Paul Place  
Baltimore, Maryland 21202-2020  
(410) 576-7042

## **MINNESOTA**

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

## **NEW YORK**

NYS Department of Law  
Investor Protection Bureau  
Franchise Section  
28 Liberty Street, 21st Floor  
New York, NY 10005  
(212) 416-8236

## **CONNECTICUT**

Securities and Business Investment Division  
Connecticut Department of Banking  
260 Constitution Plaza  
Hartford, Connecticut 06103  
(860) 240-8233

## **HAWAII**

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

## **INDIANA**

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

## **MICHIGAN**

Michigan Department of Attorney General  
Consumer Protection Division  
Antitrust and Franchise Unit  
670 Law Building  
Lansing, Michigan 48913  
(517) 335-7567

## **NEBRASKA**

Department of Banking and Finance  
Commerce Court  
1230 "O" Street, Suite 400  
PO Box 95006  
Lincoln, NE 68509-5006  
(402) 471-3445

## **NORTH DAKOTA**

North Dakota Securities Department  
600 East Boulevard Avenue  
State Capitol - 5<sup>th</sup> Floor  
Bismarck, North Dakota 58505-0510  
(701) 328-4712

**OREGON**

Department of Consumer and Business Services  
Division of Finance  
Labor and Industries Building  
Salem, Oregon 97310  
(503) 378-4140

**SOUTH DAKOTA**

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

**UTAH**

Director, Division of Consumer Protection  
Utah Department of Commerce  
160 East 300 South  
P.O. Box 146704  
Salt Lake City, Utah 84114-6704  
(801) 530-6601

**WASHINGTON**

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

**RHODE ISLAND**

Director of Business Regulations  
State of Rhode Island  
John O. Pastore Complex  
1511 Pontiac Avenue, Building 69-1  
Cranston, RI 02910  
(401) 277-3048

**TEXAS**

Secretary of State  
Statutory Document Section  
P.O. Box 12887  
Austin, Texas 78711  
(512) 475-1769

**VIRGINIA**

State Corporation Commission  
1300 East Main Street, Ninth Floor  
Richmond, Virginia 23219  
(804) 371-9051

**WISCONSIN**

Wisconsin Division of Securities  
Department of Financial Institutions  
P.O. Box 1768  
Madison, Wisconsin 53701  
(608) 266-8559

**EXHIBIT G**  
**AGENTS FOR SERVICE OF PROCESS**

**CALIFORNIA**

Commissioner of Financial Protection and  
Innovation  
California Department of Financial Protection and  
Innovation  
320 West 4th Street, Suite 750  
Los Angeles, California 90013

**HAWAII**

Hawaii Securities Commissioner  
Department of Commerce and Consumer Affairs  
Business Registration Division  
335 Merchant Street, Room 203  
Honolulu, Hawaii 96813

**INDIANA**

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

**MICHIGAN**

Michigan Department of Commerce  
Corporations and Securities Bureau  
6546 Mercantile Way  
Lansing, Michigan 48910

**NEW YORK**

Secretary of State of New York  
New York Department of State  
One Commerce Plaza,  
99 Washington Avenue, 6<sup>th</sup> Floor  
Albany, NY 12231-0001

**OREGON**

Director  
Department of Insurance and Finance  
700 Summer Street, N.E.  
Suite 120  
Salem, Oregon 97310

**ILLINOIS**

Attorney General of the State of Illinois  
500 South Second Street  
Springfield, Illinois 62706

**MARYLAND**

Maryland Securities Commissioner  
200 St. Paul Place  
Baltimore, Maryland 21202-2020

**MINNESOTA**

Minnesota Commissioner of Commerce  
Department of Commerce  
85 7<sup>th</sup> Place, Suite 280  
St. Paul, Minnesota 55101

**NORTH DAKOTA**

North Dakota Securities Commissioner  
State Capitol  
Bismarck, North Dakota 58505

**RHODE ISLAND**

Director of Department of Business Regulation  
Department of Business Regulation  
Securities Division  
John O. Pastore Complex  
1511 Pontiac Avenue, Building 69-1  
Cranston, RI 02910

**VIRGINIA**

Clerk of the State Corporation Commission  
1300 East Main Street  
Richmond, Virginia 23219

**SOUTH DAKOTA**

Director of the Division of Insurance  
Department of Labor and Regulation  
Division of Insurance  
Securities Regulation  
124 S. Euclid, Suite 104  
Pierre, South Dakota 57501

**WASHINGTON**

Director of the Securities Division  
Department of Financial Institutions  
State of Washington  
150 Israel Road  
Tumwater, Washington 98501

**WISCONSIN**

Wisconsin Commissioner of Securities  
201 W. Washington Avenue, Suite 300  
Madison, Wisconsin 53703

**EXHIBIT H**  
**STATE ADDENDA TO DISCLOSURE DOCUMENT**

## CALIFORNIA ADDENDUM TO DISCLOSURE DOCUMENT

In recognition of the requirements of the California Franchise Investment Law, California Corporations Code §§ 31000 through 31516, and the California Franchise Relations Act, California Business and Professions Code §§ 20000 through 20043, the Disclosure Document for Auntie Anne's Franchisor SPV LLC in connection with the offer and sale of franchises for use in the State of California is amended to including the following:

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

1. California Business and Professions Code §§ 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.
2. The Franchise Agreement contains provisions requiring application of the laws of Georgia. These provisions may not be enforceable under California law.
3. The Franchise Agreement requires binding arbitration. The arbitration will occur at the offices of our principal place of business (currently Atlanta, Georgia) or another suitable location chosen by us in the city where our headquarters is located, with the prevailing party's costs and expenses to be borne by the other party. 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.
4. The Franchise Agreement contains a covenant not to compete that extends beyond the termination of the franchise. This provision may not be enforceable under California law.
5. The Franchise Agreement contains a liquidated damage clause. Under California Civil Code Section 1671, certain liquidated damage clauses are unenforceable.
6. Neither we nor any person in Item 2 of the Disclosure Document is subject to any currently-effective order of any national securities association or national securities exchange, as defined in the Securities Exchange Act of 1934, 15 U.S.C.A. 78a *et seq.*, suspending or expelling us or that person from membership in these associations or exchanges.
7. Section 31125 of the California Corporations Code requires us to give you a Disclosure Document in a form and containing all information as the Commissioner may by rule or order require, before a solicitation of a proposed material modification of an existing franchise.
8. You must sign a general release when you sign your franchise agreement or if you renew or transfer your franchise or sign a superseding agreement. California Corporations Code § 31512 voids a waiver of your rights under the Franchise Investment Law (see California Corporations Code §§ 31000 through 31516). California Business and Professions Code § 20010 voids a waiver of your rights under the Franchise Relations Act (Business and Professions Code §§ 2000 through 20043).
9. The California franchise investment law requires that we deliver a copy of all proposed agreements related to the sale of the franchise, together with the Disclosure Document.

10. Regarding our website, [www.auntieannes.com](http://www.auntieannes.com), please note the following:

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



## HAWAII ADDENDUM TO DISCLOSURE DOCUMENT

1. THESE FRANCHISES WILL BE, OR HAVE BEEN, FILED UNDER THE FRANCHISE INVESTMENT LAW OF THE STATE OF HAWAII. FILING DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION, OR ENDORSEMENT BY THE HAWAII SECURITIES COMMISSIONER, OR A FINDING BY THE HAWAII SECURITIES COMMISSIONER, THAT THE INFORMATION PROVIDED IN THIS DISCLOSURE DOCUMENT IS TRUE, COMPLETE, AND NOT MISLEADING.
2. THE FRANCHISE INVESTMENT LAW MAKES IT UNLAWFUL TO OFFER OR SELL ANY FRANCHISE IN HAWAII WITHOUT FIRST PROVIDING TO THE PROSPECTIVE FRANCHISEE, OR SUBFRANCHISOR, AT LEAST 7 DAYS BEFORE THE SIGNING BY THE PROSPECTIVE FRANCHISEE OF ANY BINDING FRANCHISE OR OTHER AGREEMENT, OR AT LEAST 7 DAYS BEFORE THE PAYMENT OF ANY CONSIDERATION BY THE FRANCHISEE OR SUBFRANCHISOR, WHICHEVER OCCURS FIRST, A COPY OF THE DISCLOSURE DOCUMENT, TOGETHER WITH A COPY OF ALL PROPOSED AGREEMENTS RELATED TO THE SALE OF THE FRANCHISE.
3. THIS DISCLOSURE DOCUMENT CONTAINS A SUMMARY ONLY OF CERTAIN MATERIAL PROVISIONS OF THE FRANCHISE AGREEMENT. YOU SHOULD REFER TO THE FRANCHISE AGREEMENT ITSELF FOR A STATEMENT OF ALL RIGHTS, CONDITIONS, RESTRICTIONS, AND OBLIGATIONS OF BOTH YOU AND THE FRANCHISOR.
4. In recognition of the requirements of the Hawaii Franchise Investment Law, Hawaii Rev. Stat. §§ 428E *et seq.*, the Franchise Disclosure Document for Auntie Anne's Franchisor SPV LLC for use in the State of Hawaii is amended by adding the following language to Item 20:

As of the dates listed on the State Effective Dates page, this registration/exemption is or will be effective in California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington, and Wisconsin, and exempt from registration in Florida, Kentucky, Nebraska, Texas, and Utah. No states have refused, by order or otherwise, to register these franchises. No states have revoked or suspended the right to offer these franchises. The proposed registration of these franchises has not been involuntarily withdrawn in any state.

## **ILLINOIS ADDENDUM TO DISCLOSURE DOCUMENT**

In recognition of the requirements of the Illinois Franchise Disclosure Act of 1987, Ill. Comp. Stat. §§ 705/1 through 705/44, the Disclosure Document for Auntie Anne's Franchisor SPV LLC for use in the State of Illinois is amended to include the following:

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

1. Notice Required By Law:

THE TERMS AND CONDITIONS UNDER WHICH WE MAY TERMINATE  
YOUR FRANCHISE AND YOUR RIGHTS ON NON-RENEWAL MAY BE  
AFFECTED BY ILLINOIS LAW, 815 ILCS §§ 705/19 AND 705/20.

2. The provisions of the Franchise Agreement, and all other agreements concerning governing law, jurisdiction, and choice-of-law, will not constitute a waiver of any right conferred on you by the Illinois Franchise Disclosure Act. Illinois law will govern the Franchise Agreement with respect to franchisees under the jurisdiction of the Illinois Franchise Disclosure Act. Consistent with the foregoing, any provision in the Franchise Agreement that designates jurisdiction and venue in a forum outside of Illinois is void with respect to any cause of action that is otherwise enforceable in Illinois.
3. 815 ILCS § 705/41 (Illinois Franchise Disclosure Act) states that "any condition, stipulation, or provision purporting to bind any person acquiring any franchise to waive compliance with any provision of this Act or any other law of this State is void."
4. Section 21.1 (Your Acknowledgements) is deleted from all Illinois Franchise Agreements.

## INDIANA ADDENDUM TO DISCLOSURE DOCUMENT

In recognition of the requirements of the Indiana Franchise Disclosure Law, Indiana Code §§ 23-2-2.5-1 through 23-2-2.5-51, and the Indiana Deceptive Franchise Practices Act, Indiana Code §§ 23-2-2.7-1 through 23-2-2.7-10, the Disclosure Document for Auntie Anne's Franchisor SPV LLC for use in the State of Indiana is amended as follows:

1. The laws of the State of Indiana supersede any provisions of the Franchise Agreement and any the other agreements, or Georgia law, if these provisions are in conflict with Indiana law.
2. No release language stated in the Franchise Agreement relieves us or any other person, directly or indirectly, from liability imposed by the laws concerning franchising of the State of Indiana.
3. Notwithstanding the terms of Item 12 of the Disclosure Document and Section 4 (Reserved Rights) of the Franchise Agreement (as applicable), we will not compete unfairly with you within a reasonable area.
4. Notwithstanding the terms of Section 13.1 (Indemnification) of the Franchise Agreement, you will not be required to indemnify the Affiliated Parties for any liability caused by your proper reliance on or use of procedures or materials provided by us or caused by our negligence.
5. Section 15.4.B. (Restrictive Covenants: Post Term) of the Franchise Agreement is revised to limit the geographical extent of the post-term covenant not to compete to an area of reasonable size, for all franchises sold in the State of Indiana.
6. The prohibition by Indiana Code § 23-2-2.7-1(7) against unilateral termination of the franchise without good cause or in bad faith, good cause being defined therein as ". . . a material breach of the franchise agreement . . .," supersede any contrary provisions contained in Section 17 (Default and Termination) of the Franchise Agreement in the State of Indiana.
7. The provisions of the Franchise Agreement relieving both parties from liability for punitive damages will not apply to franchises offered and sold in the State of Indiana.

## MARYLAND ADDENDUM TO DISCLOSURE DOCUMENT

In recognition of the requirements of the Maryland Franchise Registration and Disclosure Law, the Disclosure Document for Auntie Anne's Franchisor SPV LLC for use in the State of Maryland is amended as follows:

### ITEM 17 RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION:

1. No release language required on renewal, transfer, or signing the Franchise Agreement will relieve us or any other person, directly or indirectly, from liability imposed by the Maryland Franchise Registration and Disclosure Law.
2. No provision of the Disclosure Document or Franchise Agreement will be construed as a release, estoppel, or waiver by you of any liability we incur under the Maryland Franchise Registration and Disclosure Law.
3. Item 17.v. of this Disclosure Document is modified as follows:

You can enter into litigation with us in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law, as long as the nature of the litigation is not the type of dispute, controversy, claim, action or proceeding which would be subject to arbitration under the Franchise Agreement.
4. Any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within three years after the grant of the franchise.

## MINNESOTA ADDENDUM TO DISCLOSURE DOCUMENT

In recognition of the requirements of the Minnesota Franchises Law, Minn. Stat. §§ 80C.01 through 80C.22, and of the Rules and Regulations promulgated thereunder by the Minnesota Commissioner of Commerce, Minn. Rules §§ 2860.0100 through 2860.9930, the Disclosure Document for Auntie Anne's Franchisor SPV LLC for the offer of franchises for use in the State of Minnesota is amended to include the following:

1. Item 6, "Other Fees," shall be amended as follows:

We may be limited in the amount of the Insufficient Funds Fee we may charge you as described in Item 6 of this Disclosure Document. The Minnesota Department of Commerce requires us to disclose to you that, currently, the highest such fee permitted under Minnesota Statute 604.113 is \$30.

2. Item 13, "Trademarks," is amended by the addition of the following paragraph immediately:

The Minnesota Department of Commerce requires us to indemnify Minnesota franchisees against liability to third parties resulting from claims by third parties that the franchisee's use of our trademark infringes on trademark rights of the third party. We do not indemnify against the consequences of a franchisee's use of our trademark except in accordance with the requirements of the Franchise Agreement; and, as a condition to indemnification, you must: (i) provide prompt notice to us of any such claim; (ii) tender the defense of the claim to us; and (iii) cooperate with us in the defense against the claim. If we accept the tender of defense, we have the right to manage the defense of the claim including the right to compromise, settle, or otherwise resolve the claim, and to determine whether to appeal a final determination of the claim.

3. Item 17, "Renewal, Termination, Transfer and Dispute Resolution," is amended by the addition of the following paragraph at the end of the Item:

Pursuant to Minn. Rule 2860.4400D, any general release of claims a transferor may have against us or our directors, officers, shareholders, and employees, including without limitation claims arising under federal, state, and local laws, rules, and ordinances, excludes claims the transferor may have under the Minnesota Franchises Law or the Rules and Regulations promulgated thereunder by the Minnesota Commissioner of Commerce.

4. With respect to franchises governed by Minnesota law, we will comply with Minn. Stat. § 80C.14, Subds. 3, 4, and 5, that require, except in certain specified cases, that a franchisee be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice of non-renewal of the Franchise Agreement, and that we not unreasonably withhold consent to the transfer of the franchise.
5. Minn. Stat. § 80C.21 and Minn. Rule 2860.4400J prohibit us from requiring that litigation be conducted outside Minnesota. In addition, nothing in the Disclosure Document or Franchise Agreement abrogate or reduce any of your rights provided for in Minnesota

statutes Chapter 80C, or your rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.

6. The Franchise Agreement contains provisions that may be interpreted as liquidated damages clauses under Minnesota law. Certain liquidated damages clauses are unenforceable.

## NEW YORK ADDENDUM TO DISCLOSURE DOCUMENT

In recognition of the requirements of the General Business Law of the State of New York, Article 33, §§ 680 through 695, the Disclosure Document for McAlister's Franchisor SPV LLC for use in the State of New York is amended as follows:

1. The following information is added to the cover page of the Disclosure Document:

**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 of the Disclosure Document:

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 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.

4. The following language replaces the “Summary” section of Item 17(d), titled **“Termination by franchisee”**:

You may terminate the Franchise Agreement on any grounds available by law.

5. 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 State of New York.



## NORTH DAKOTA ADDENDUM TO DISCLOSURE DOCUMENT

In recognition of the requirements of the North Dakota Franchise Investment Law, N.D. Cent. Code §§ 51-19-01 through 51-19-17, and the policies of the Office of State of North Dakota Securities Commission, the Disclosure Document for Auntie Anne's Franchisor SPV LLC for use in the State of North Dakota is amended as follows:

1. A contractual requirement that you sign a general release will not apply to claims you may have under the North Dakota Franchise Investment Law.
2. Covenants not to compete such as those contained in the Franchise Agreement are generally considered unenforceable in the State of North Dakota.
3. The Franchise Agreement contains provisions that may be interpreted as liquidated damages clauses. Under the North Dakota Franchise Investment Law, certain liquidated damages clauses are unenforceable.
4. The Franchise Agreement requires you to waive your right to collect exemplary or punitive damages. This provision may not be enforceable under North Dakota law.
5. The Franchise Agreement requires that you consent to the jurisdiction of a court in Georgia. This provision may not be enforceable under North Dakota Law because North Dakota Law precludes you from consenting to jurisdiction of any court outside of North Dakota.
6. The provisions of the Franchise Agreement on governing law, jurisdiction, and choice of law will not be a waiver of any right conferred on you by the North Dakota Franchise Investment Law.

## **RHODE ISLAND ADDENDUM TO DISCLOSURE DOCUMENT**

In recognition of the requirements of the Rhode Island Franchise Investment Act, §§ 19-28.1-1 through 19-28.1-34, the Disclosure Document for Auntie Anne's Franchisor SPV LLC for use in the State of Rhode Island is amended as follows by adding the following language at the end of Item 17:

Section 19-28.1-14 of the Rhode Island Franchise Investment Act provides that "A provision in a franchise agreement restricting jurisdiction or venue to a forum outside this state or requiring the application of the laws of another state is void with respect to a claim otherwise enforceable under this Act."

## **VIRGINIA ADDENDUM TO DISCLOSURE DOCUMENT**

In recognition of the restrictions contained in Section 13.1-564 of the Virginia Retail Franchising Act, the Franchise Disclosure Document for Auntie Anne's Franchisor SPV LLC for use in the Commonwealth of Virginia is amended as follows:

Additional Disclosure. The following statements are added to Item 17.h.

Under 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 ground 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.

## WASHINGTON ADDENDUM TO DISCLOSURE DOCUMENT

In recognition of the requirements of the Washington Franchise Investment Protection Act, Wash. Rev. Code §§ 19.100.180, the Disclosure Document for Auntie Anne's Franchisor SPV LLC for use in the State of Washington is amended as follows:

1. If any of the provisions in the Disclosure Document or Franchise Agreement are inconsistent with the relationship provisions of RCW 19.100.180 or other requirements of the Washington Franchise Investment Protection Act, the provisions of the Act will prevail over the inconsistent provisions of the Disclosure Document or Franchise Agreement (as applicable) with regard to any franchise sold in Washington.
2. In any arbitration involving a franchise purchased in Washington, the arbitration site will be either in Washington or in a place as mutually agreed-on at the time of the arbitration, or as determined by the arbitrator.
3. A release or waiver of rights signed by a franchisee will not include rights under the Act except when signed with a negotiated settlement after the Franchise Agreement is in effect and where the parties are represented by independent counsel. Provisions such as those that unreasonably restrict or limit the statute of limitations period for claims under the Act and rights or remedies under the Act, such as a right to a jury trial, may not be enforceable.
4. The State of Washington has a statute, RCW 19.100.180, that may supersede the Franchise Agreement in your relationship with the franchisor, including the areas of termination and renewal of your franchise. There also may be court decisions that supersede the Franchise Agreement in your relationship with the franchisor, including the areas of termination and renewal of your franchise.
5. In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, Chapter 19.100 RCW, prevail.
6. Transfer fees are collectable to the extent that they reflect the franchisor's reasonable estimated or actual costs in effecting a transfer.
7. Franchisees who receive financial incentives to refer franchise prospects to the franchisor may be required to register as franchise brokers under the laws of Washington State.
8. On July 12, 2018, to resolve objections raised by the Washington Attorney General and without admitting any liability, we voluntarily entered into an Assurance of Discontinuance ("AOD") with the State of Washington (No. 18-2-17231-4SEA), where we agreed to remove from future franchise agreements a provision which restricts a franchisee from soliciting and/or hiring our or our affiliates' employees or the employees of our other franchisees, which the Attorney General alleged violated Washington state and federal antitrust and unfair practices laws. Similar provisions have historically been found in franchise agreements across all industries. While we never enforced this provision against any franchisee, we agreed, as part of the AOD, not to enforce this provision in any existing franchise agreement and to notify its franchisees accordingly. The State of Washington did not assess any fines or other monetary penalties against us or our affiliates. We do not include such restrictive provisions in our agreements and are bound by the AOD to not enforce these clauses in any existing franchise agreements.

9. Chapter 49.62 RCW limits the use of noncompetition agreements and may supersede the Franchise Agreement's noncompetition provisions. Washington law provides as follows: (1) an employee non-compete covenant is unenforceable unless the employee's annual earnings exceed \$100,000 (an amount that will be adjusted annually); (2) an independent contractor non-compete covenant is unenforceable unless the independent contractor's annual earnings exceed \$250,000; (3) a presumption is created that any non-compete covenant with a duration longer than 18 months is unreasonable and unenforceable; and (4) any contractual provision that requires an employee to adjudicate a noncompetition covenant outside of Washington State is void and unenforceable.
10. Chapter 49.62.060 RCW 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.

**EXHIBIT I**  
**FRANCHISEE DISCLOSURE ACKNOWLEDGEMENT**

## FRANCHISEE DISCLOSURE ACKNOWLEDGEMENT

As you know, Auntie Anne's Franchisor SPV LLC ("**we**") and the franchisee identified below ("**you**") are preparing to enter into an Auntie Anne's® Franchise Agreement (the "**Franchise Agreement**") for the operation of an Auntie Anne's® franchise. The purpose of this Acknowledgement is to determine whether any statements or promises were made to you that we have not authorized or that may be untrue, inaccurate or misleading, to be certain that you have been properly represented in this transaction, and to be certain that you understand the limitations on claims you may make by reason of the purchase and operation of your franchise. **You cannot sign or date this Acknowledgement the same day as the Receipt for the Franchise Disclosure Document, but you must sign and date it the same day you sign the Franchise Agreement and pay your franchise fee.**

Please review each of the following statements carefully and initial by each providing your acknowledgement that the statement is accurate and true. **If you find that a statement is not accurate and true, please cease signing this Acknowledgement and related documents and immediately e-mail Tim Goodman, Senior Vice President of Franchise Administration, at [tgoodman@focusbrands.com](mailto:tgoodman@focusbrands.com) and provide an explanation of why you believe such statement is not accurate and true.**

- \_\_\_\_\_ Initial 1. You have received and personally reviewed the Franchise Disclosure Document ("**Disclosure Document**") and the Franchise Agreement and each exhibit and schedule attached to them.
- \_\_\_\_\_ Initial 2. You understand all the information contained in the Disclosure Document and the Franchise Agreement.
- \_\_\_\_\_ Initial 3. You understand the success or failure of your franchise will depend in large part on your skills, abilities and efforts and those of the persons you employ, as well as many factors beyond your control such as weather, competition, interest rates, the economy, inflation, labor and supply costs, lease terms and the marketplace.
- \_\_\_\_\_ Initial 4. No employee or other person speaking on our behalf has made any statement or promise regarding the costs involved in operating an Auntie Anne's® franchise that is not contained in the Disclosure Document or that is contrary to, or different from, the information contained in the Disclosure Document.
- \_\_\_\_\_ Initial 5. No employee or other person speaking on our behalf has made any statement or promise or agreement, other than those matters addressed in the 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.
- \_\_\_\_\_ Initial 6. No employee or other person speaking on our behalf has 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 an Auntie Anne's® franchise 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.

\_\_\_\_\_ Initial 7. You understand that the Franchise Agreement contains the entire agreement between us and you concerning the franchise for the Auntie Anne's® franchise, meaning any prior oral or written statements not set out in the Franchise Agreement will not be binding.

YOU UNDERSTAND THAT YOUR ACKNOWLEDGEMENT OF THE STATEMENTS ABOVE ARE IMPORTANT TO US AND THAT WE WILL RELY ON THEM. BY SIGNING THIS ACKNOWLEDGEMENT, YOU ARE REPRESENTING THAT YOU HAVE CONSIDERED EACH STATEMENT CAREFULLY AND THAT EACH STATEMENT IS ACCURATE AND TRUTHFUL.



«Z1\_First\_Name» «Z1\_Last\_Name»  
a «Z1\_State\_of\_Formation»  
«Z1\_Entity\_Type»

By: \_\_\_\_\_  
Name: «Signee\_1\_name»  
Title: «Signee\_1\_title»  
Date: \_\_\_\_\_

By: \_\_\_\_\_  
Name: «Signee\_2\_name»  
Title: «Signee\_2\_title»  
Date: \_\_\_\_\_

By: \_\_\_\_\_  
Name: «Signee\_3\_name»  
Title: «Signee\_3\_title»  
Date: \_\_\_\_\_

By: \_\_\_\_\_  
Name: «Signee\_4\_name»  
Title: «Signee\_4\_title»  
Date: \_\_\_\_\_

By: \_\_\_\_\_  
Name: «Signee\_5\_name»  
Title: «Signee\_5\_title»  
Date: \_\_\_\_\_

«Z5\_First\_Name» «Z5\_Last\_Name»  
A «Z5\_State\_of\_Formation»  
«Z5\_Entity\_Type»

By: \_\_\_\_\_

Name:

Title:

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

**SPECIAL NOTE FOR RESIDENTS OF THE STATE OF MARYLAND AND FRANCHISES LOCATED IN MARYLAND:** Nothing in this Franchisee Disclosure Acknowledgement will act as a release, estoppel, or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law.

**EXPLANATION OF ANY NEGATIVE RESPONSES [REFER TO QUESTION NUMBER AND USE ADDITIONAL PAPER IF NECESSARY]:**

### **State Effective Dates**

The following states have franchise laws that require that the Franchise Disclosure Document be registered or filed with the state, or be exempt from registration: California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington, and Wisconsin.

This document is effective and may be used in the following states, where the document is filed, registered or exempt from registration, as of the Effective Date stated below:

| <b>State</b> | <b>Effective Date</b> |
|--------------|-----------------------|
| California   | Exempt                |
| Hawaii       |                       |
| Illinois     | Exempt                |
| Indiana      |                       |
| Maryland     |                       |
| Michigan     |                       |
| Minnesota    |                       |
| New York     | Exempt                |
| North Dakota |                       |
| Rhode Island |                       |
| South Dakota |                       |
| Virginia     |                       |
| Washington   |                       |
| Wisconsin    |                       |

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

**ITEM 23 RECEIPT**

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

If Auntie Anne’s Franchisor SPV LLC offers you a franchise, we must provide this Disclosure Document to you 14 calendar days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale. Iowa requires that we provide you with this Disclosure Document at the earlier of the first personal meeting or 14 calendar days before you sign a binding agreement with, or make payment to, us or one of our affiliates in connection with the proposed sale. New York requires that we provide you with this Disclosure Document at the earlier of the first personal meeting or ten business days before you sign a binding agreement with, or make payment to, us or one of our affiliates in connection with the proposed sale. Michigan requires that we provide you with this Disclosure Document ten business days before you sign a binding agreement with, or make payment to, us or one of our affiliates in connection with the proposed sale.

If Auntie Anne’s Franchisor SPV LLC does not deliver this Disclosure Document on time or if it contains a false or misleading statement, or a material omission, a violation of federal law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and the applicable state agency listed in Exhibit F.

The name, principal business address, and telephone number of each franchise seller offering the franchise is as follows: \_\_\_\_\_ 5620  
Glenridge Drive NE, Atlanta, Georgia 30342 and its telephone number is (404) 255-3250.

Auntie Anne’s Franchisor SPV LLC, the seller of these franchises, authorizes the agencies shown on Exhibit G to receive service of process for it in certain states.

The issuance date of this Disclosure Document is March 24, 2022.

I, personally, and as a duly authorized officer of the prospective franchisee (if the franchisee is an Entity), hereby acknowledge receipt from Auntie Anne’s Franchisor SPV LLC of the Franchise Disclosure Document (to which this Receipt is attached) dated March 24, 2022.

This Disclosure Document included the following exhibits: A – Financial Statements; B – Franchise Agreement and Related Agreements; C – Other Agreements; D – Information on Franchisees; E- Information on Former Franchisees; F – State Administrators; G- Agents for Service of Process; H – State Addenda to Disclosure Document; and I – Franchisee Disclosure Acknowledgement

Dated: \_\_\_\_\_

PROSPECTIVE FRANCHISEE:

If a corporation or LLC:

If an individual:

\_\_\_\_\_  
(Name of corporation or LLC)

\_\_\_\_\_  
(Signature)

By: \_\_\_\_\_

\_\_\_\_\_  
(Print Name)

Its: \_\_\_\_\_  
(Title)

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Print Name)

\_\_\_\_\_  
(Print Name)

Address of corporation, LLC, or individual(s): \_\_\_\_\_  
\_\_\_\_\_

**ITEM 23 RECEIPT**

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

If Auntie Anne's Franchisor SPV LLC offers you a franchise, we must provide this Disclosure Document to you 14 calendar days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale. Iowa requires that we provide you with this Disclosure Document at the earlier of the first personal meeting or 14 calendar days before you sign a binding agreement with, or make payment to, us or one of our affiliates in connection with the proposed sale. New York requires that we provide you with this Disclosure Document at the earlier of the first personal meeting or ten business days before you sign a binding agreement with, or make payment to, us or one of our affiliates in connection with the proposed sale. Michigan requires that we provide you with this Disclosure Document ten business days before you sign a binding agreement with, or make payment to, us or one of our affiliates in connection with the proposed sale.

If Auntie Anne's Franchisor SPV LLC does not deliver this Disclosure Document on time or if it contains a false or misleading statement, or a material omission, a violation of federal law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and the applicable state agency listed in Exhibit F.

The name, principal business address, and telephone number of each franchise seller offering the franchise is as follows: \_\_\_\_\_ 5620  
Glenridge Drive NE, Atlanta, Georgia 30342 and its telephone number is (404) 255-3250.

Auntie Anne's Franchisor SPV LLC, the seller of these franchises, authorizes the agencies shown on Exhibit G to receive service of process for it in certain states.

The issuance date of this Disclosure Document is March 24, 2022.

I, personally, and as a duly authorized officer of the prospective franchisee (if the franchisee is an Entity), hereby acknowledge receipt from Auntie Anne's Franchisor SPV LLC of the Franchise Disclosure Document (to which this Receipt is attached) dated March 24, 2022.

This Disclosure Document included the following exhibits: A – Financial Statements; B – Franchise Agreement and Related Agreements; C – Other Agreements; D – Information on Franchisees; E- Information on Former Franchisees; F – State Administrators; G- Agents for Service of Process; H – State Addenda to Disclosure Document; and I – Franchisee Disclosure Acknowledgement

Dated: \_\_\_\_\_

PROSPECTIVE FRANCHISEE:

If a corporation or LLC:

If an individual:

\_\_\_\_\_  
(Name of corporation or LLC)

\_\_\_\_\_  
(Signature)

By: \_\_\_\_\_

\_\_\_\_\_  
(Print Name)

Its: \_\_\_\_\_  
(Title)

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Print Name)

\_\_\_\_\_  
(Print Name)

Address of corporation, LLC, or individual(s): \_\_\_\_\_  
\_\_\_\_\_