FRANCHISE DISCLOSURE DOCUMENT

Birdcall Franchising LLC

A Colorado Limited Liability Company
855 Wyandot Street, Suite 102
Denver, CO 80204
(312) 231-2788
franchising@eatbirdcall.com
www.eatbirdcall.com

We offer franchises for the operation of restaurants featuring 100% all-natural chicken, plus salads and other made-to-order meals ("**Birdcall Restaurants**") for dine-in and take-out service.

The total investment necessary to begin operation of a Birdcall Restaurant ranges from $762,000 to $2,633,000. This includes $70,000 that must be paid to the franchisor or its affiliates. If you sign a Development Agreement, the total investment necessary for two locations ranges from $882,000 to $2,753,000. This includes $120,000 that must be paid to the franchisor.

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 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 Mark Lohmann at franchising@eatbirdcall.com, (312) 231-2788.

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 accountant.

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

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

Issuance Date: April 7, 2026

How to Use This Franchise Disclosure Document

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

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

What You Need To Know About Franchising *Generally*

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

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

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

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

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

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

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

Some States Require Registration

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

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

Special Risks to Consider About *This* Franchise

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

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

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

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

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EXHIBITS

ITEM 1
THE FRANCHISOR AND ANY PARENTS, PREDECESSORS AND AFFILIATES

To simplify the language in this disclosure document, "we," "us," or "our" means Birdcall Franchising LLC, the franchisor. "You" means the person who buys the franchise. If you are a corporation, partnership, limited liability company or other business entity, certain provisions of this disclosure document also apply to your owners and will be noted.

We are a Colorado limited liability company formed on May 24, 2024. Our principal business address is 855 Wyandot Street, Suite 102, Denver, Colorado 80204. We do business under the "Birdcall" name and mark. Our agents for service of process are listed in Exhibit A. This is our initial offering for Birdcall Restaurant franchisees. We have never operated a Birdcall Restaurant.

We have one parent company and two affiliates.

Our parent company is Birdcall Holdings LLC, a Colorado limited liability company formed on July 10, 2019 ("**Parent Company**"). The Parent Company shares our principal place of business. Parent Company does not offer franchises in this or any other line of business. Parent Company owns several trademarks and licenses the trademarks to us.

BCR Group LLC, is a Colorado limited liability company formed on May 15, 2019 ("**BCRG**") and shares our principal place of business. BCRG does not offer franchises in this or any other line of business. BCRG is the majority owner of 25 companies, each of which own and operate restaurants similar to the Birdcall Restaurant offered in this Franchise Disclosure Document and all share our principal place of business. There are ten restaurants in Colorado (three of which are located in Whole Foods Markets), two restaurants in Arizona and two restaurants in Texas. Also, there are two units using the Birdcall trademark located in non-traditional restaurant spaces.

BCTech LLC, is a Colorado limited liability company formed on June 12, 2018 ("**BCTECH**") and shares our principal place of business. BCTECH does not offer franchises in this or any other line of business. BCTECH owns proprietary software that is licensed to us for use in the Birdcall Restaurants.

Birdcall Restaurants serve 100% all-natural chicken, plus salads and other made-to-order meals. Guests order and pay for their order at a computer kiosk upon entering the restaurant and are designated a cubby number on their receipt where their order can be retrieved. Birdcall Restaurants serve the freshest and most natural food around in a traditional premises ranging from approximately 1,300 to 3,600 square feet. The size of a non-traditional premises will be less. Some Birdcall Restaurants may offer a selection of alcoholic beverages.

Birdcall Restaurants operate according to a unique and distinctive system ("**System**"), whose distinguishing characteristics include our décor, layout, color schemes and designs (collectively, "**Trade Dress**"); our menu items, recipes and food preparation and service techniques; our standards and specifications for equipment, equipment layouts, and interior and exterior accessories; and the accumulated experience reflected in our training program, operating procedures, and standards and specifications and using our Birdcall and other trademarks, trade names, service marks and logos ("**Marks**").

We describe our mandatory and recommended standards, specifications, and operating procedures in our confidential operating manuals ("**Manual**"). We will loan one copy of, or provide electronic access to, the Manual for the term of your franchise. We may periodically change, improve, add to, and further develop the Manual and the elements of the System.

We offer the opportunity for you to develop multiple Birdcall Restaurants under a Development Agreement ("**Development Agreement**") (Exhibit C). We also offer the opportunity to develop a single Birdcall Restaurant ("**Franchised Restaurant**"). Before you acquire a site for a Franchised Restaurant, we must accept the site for the Franchised Restaurant ("**Authorized Site**"). Once the site is accepted, we will forward you a Franchise Agreement (Exhibit B) for the Authorized Site. The form of Franchise Agreement for the Franchised Restaurants to be developed by you will be the standard form in general use at the time that we accept the site for the applicable Franchised Restaurant, which may differ from the Franchise Agreement attached as Exhibit B.

Your receipt of this disclosure document does not mean you will be accepted as a franchisee or that you may develop or open a Franchised Restaurant. Before you may develop and open a Franchised Restaurant, among other things, we must approve you as a franchisee (or if you already are a franchisee, approve you for expansion); you must sign the Franchise Agreement and pay the Initial Franchise Fee (as described in Item 5); we must accept the site for your proposed Franchised Restaurant in writing; and you (and certain personnel whom we designate) must attend and successfully complete (as determined by us in our sole discretion) our Initial Training Program ("**ITP**") (as described in Item 11).

Industry Specific Laws

We are not aware of any laws applicable to a Birdcall Restaurant that would not apply to restaurant businesses generally. You must comply with all applicable local, state, and federal laws and regulations, including those relating to alcoholic beverages, health, sanitation, food handling, food preparation, waste disposal, smoking restrictions, discrimination, employment, sexual harassment and advertising. Where applicable, you must obtain a liquor license before you open the Franchised Restaurant. The difficulty and cost of obtaining a liquor license and the procedures for securing the license vary greatly from area to area. There is also wide variation in state and local laws and regulations that govern the sale of alcoholic beverages. In addition, state dram shop laws give rise to potential liability for injuries that are directly or indirectly related to the sale and consumption of alcohol.

Some laws require point of sale disclosures, including statements concerning nutritional and dietary characteristics of the food served at the Franchised Restaurant. There are other laws and regulations applicable to businesses generally (such as the Americans with Disabilities Act) with which you must comply. You should consult with your attorney concerning these and other laws and ordinances that may affect the operation of the Franchised Restaurant. You must also obtain all real estate permits and other required licenses.

Market and Competition

The market for restaurants service chicken is well-developed. Your Franchised Restaurant will compete with other national and regional chicken restaurants, as well as other franchised, chain or independent restaurants. Some of our competitors have longer operating histories than ours. The restaurant business is highly competitive based on price, service, restaurant location and food quality and is subject to fluctuations in consumer tastes, economic conditions, population, and traffic patterns.

ITEM 2
BUSINESS EXPERIENCE

Mark Lohmann – Chief Executive Officer

Mr. Lohmann has been our Chief Executive Officer since November 2022. From January 2019 to December 2022, Mr. Lohmann served as the President of Rego Restaurant Group in Denver, Colorado. Prior to that, Mr. Lohmann was also the Senior Vice President and Chief Brand Officer at Rego Restaurant Group from January 2019 to October 2020. From January 2017 to January 2019, Mr. Lohmann was the EVP of Strategy and Chief Financial Officer for Cool Planet of Greenwood Village, Colorado.

J. Ryan O'Haro – Chief Financial Officer

Mr. O'Haro has been our Chief Financial Officer since October 2023. From January 2022 to October 2023 he was the Vice President of Finance for Maple Street Biscuit Company in Brentwood, Tennessee. Prior that that, Mr. O'Haro was the Business Analytics Manager for Red Robin Gourmet Burgers in Greenwood Village, Colorado, from February 2017 to January 2022.

Justin Livingston – Vice President of Franchise Development

Mr. Livingston has been our Vice President of Franchise Development since February 2026. Mr. Livingston also owns and is the President of Franchise Transformations, LLC since September 2013, located in Superior, Colorado. Through his company, he also served as Vice President of Franchise Development of OCG Inc, from February 2019 through October 2022, and Unity Rd. from February 2019 through November 2023. In addition to serving as our Vice President of Franchise Development, he also currently serves as the Vice President of Franchise Development of Ugly Inc. located Poughkeepsie, New York since October 2014 and Ziggi's Coffee Franchise located in Mead, Colorado since May of 2016. Mr. Livingston was also a franchisee owner of a Coyote Ugly restaurant/bar located in London, England from January 2023 to September 2025. He currently serves as a franchisee of three ZIGGI's Coffee Shops located in Broomfield, Lafayette, and Louisville, Colorado.

ITEM 3
LITIGATION

No litigation is required to be disclosed in this Item.

ITEM 4
BANKRUPTCY

No bankruptcy is required to be disclosed in this Item.

ITEM 5
INITIAL FEES

Initial Franchise Fees

You must pay an initial franchise fee of $50,000 for the Franchise Agreement that you sign for one Birdcall franchise (the "**Initial Franchise Fee**"). You pay the Initial Franchise Fee in a lump sum on the date that you sign the Franchise Agreement. The Initial Franchise Fee is fully earned by us when you sign the Franchise Agreement and is not credited against any other fees to be paid to us. We have no obligation to refund the Initial Franchise Fee in whole or in part.

Multi-Unit Development Agreement

For a Franchise Agreement signed under a Development Agreement, you will pay a reduced Initial Franchise Fee that varies based on the number of Birdcall restaurants you commit to develop. If you commit to develop three Birdcall restaurants (including the initial Franchised Restaurant), the Initial Franchise Fee is $45,000 per franchise. If you commit to develop five Birdcall restaurants (including the initial Franchised Restaurant), the Initial Franchise Fee is $40,000 per franchise. If you commit to develop 10 Birdcall restaurants (including the initial Franchised Restaruant), the Initial Franchise Fee is $35,000 per franchise. You must sign a separate Franchise Agreement for each of the initial restaurants and subsequent restaurants you will operate, in accordance with the agreed-upon Development Schedule. At the same time that you sign the initial Franchise Agreement, you will also enter into a Development Agreement covering the subsequent restaurants to be opened, and pay a development fee equal to the amount of the applicable Initial Franchise Fee times the number of subsequent restaurants to be developed under the Development Agreement (the "**Development Fee**").

The portion of the Development Fee attributable to each of the subsequent restaurants to be developed under the Development Agreement is credited toward, and fully satisfies, the Initial Franchise Fee to be paid for that subsequent restaurant. The Development Fee is fully earned by us when you sign the Development Agreement and is not refundable,

Based on a typical arrangement of there being five restaurants to be developed (one initial restaurant and four subsequent restaurants), the total Development Fee is $160,000, in addition to the $40,000 Initial Franchise Fee for the initial restaurant, the total Development Fee is $200,000.

Launch Fee

When you sign the Franchise Agreement, you will pay us an launch fee of $10,000 ("**Launch Fee**"). The Launch Fee is fully earned by us when you sign the Franchise Agreement and is not credited against any other fees to be paid to us. We have no obligation to refund the Launch Fee in whole or in part for any reason.

Technology Set Up Fee

You will pay us an initial fee of $10,000 at the time you sign the Franchise Agreement for us to procure and configure the technology system that you will be required to use in the Franchised Restaurant. In addition, you will pay separately for the hardware and software required to be used in the Franchised Restaurant as detailed in Item 6 below as and when it is required is procured.

The fees identified in this Item 5 are uniformly imposed on all franchisees who receive this disclosure document.

ITEM 6
OTHER FEES

Type of Fee (1)	Amount	Due Date	Remarks
Royalty	6% of Fiscal Week Gross Sales	Before 5:00 pm on the 5th day after the end of each Fiscal Week by electronic funds transfer **(4)**	See Note **(2)** for a definition of Gross Sales and Note **(3)** for a definition of Fiscal Week.
National Brand Fund Fee	2% of Fiscal Week Gross Sales.	Same as Royalty	We have not yet established a national brand fund.
Local Advertising Fund	The greater of 1% of Fiscal Week Gross Sales or $1,500	Monthly	You must spend for advertising the greater of 1% of the Fiscal Week Gross Sales of the Franchised Restaurant or $1,500 in your local trade area.
Grand Opening	$50,000 for the first Franchised Restaurant in the trade area; $25,000 for the second or greater Franchised Restaurant in the trade area	As incurred	You will begin the grand opening promotion no later than 90 days before the Franchised Restaurant is scheduled to be opened and at least 90 days after the Franchised Restaurant is open
Point of Sale Materials	Our cost	As incurred	If we develop any point-of-sale materials, we may offer to sell those to you at a reasonable cost.
Transfer Fee - Development Agreement	$5,000	Upon submission of request for consent to transfer	You will not be required to pay a transfer fee if you transfer to a business entity that you form for convenience of ownership, but you will need to comply with certain conditions. This fee also applies to transfers of partial ownership interests and transfers upon death or permanent incapacity.
Transfer Fee - Franchise Agreement	50% of the then-current Initial Franchise Fee	Upon submission of request for consent to transfer	You will not be required to pay a transfer fee in connection with a transfer to a business entity that you form for convenience of ownership, but you will need to comply with certain conditions. This fee also applies to transfers of partial ownership interests and transfers upon

Type of Fee (1)	Amount	Due Date	Remarks
			death or permanent incapacity.
Additional Training	$300 per day	As incurred	You must also pay all travel, living, and other expenses incurred by you (or your Operating Principal), your managerial personnel and your employees while attending any additional training programs.
Audit and Inspection Costs	Full cost of the inspection or audit, including travel, lodging, meals and wages of our representatives, and our professional fees	Upon demand	Payable only if an inspection or audit is made necessary by your failure to provide required reports or supporting records or provide such reports or records on a timely basis, or if the audit or inspection reveals an understatement of Gross Sales of greater than 2% for the audit period.
Software and Hardware and other Technology	$10,000 - $100,000	As incurred	One or more of the following will be required: back-of-house computer, customer kiosks, point-of-sale with cash register, kitchen display system, customer queue screen, and, if applicable, a drive-through confirmation screen and point-of-sale. Networking equipment (including a cellular failover network) will also be required. You will be required to use a proprietary point-of-sale system (Poncho) offered by our Affiliate, BCTech LLC. You will enter into an agreement directly with BCTech LLC. Additionally, you are required to enter into an agreement with PaySimple for credit card processing. The range reflects the fees for both Poncho and PaySimple and the upfront $10,000 fee you will pay for the set-up of technology.
Technology Fee	0.5% of Fiscal Week Gross Sales	Same as Royalty	Payment commences at the same time as the Royalty.

Type of Fee (1)	Amount	Due Date	Remarks
Indemnification	Actual losses and expenses incurred by us and our officers, affiliates, managers, members, etc.	As incurred	You must defend, indemnify and hold us and our officers, affiliates, managers, members, etc. harmless with respect to any and all claims arising directly or indirectly from, as a result of, or in connection with the Franchised Restaurant.
Interest	Lesser of 18% per annum or maximum allowed by law	When any payment due to us from you is not received in full by the due date	
Late Fee	$100	When any payment due to us from you is not received by the due date	Payable at our discretion.
Collection Costs	All costs and expenses that we incur, including professional fees	Upon demand	These costs and expenses may include commissions due a collection agency and all costs associated with litigation, in addition to interest charges on these costs.
Quality and Assurance Programs	If implemented, actual costs associated with quality and assurance programs as we may require	As incurred	If implemented, you must participate in programs initiated to verify customer satisfaction and/or your compliance with all operational and other aspects of the System.
Non-Cash Payment System	All actual costs associated with non-cash payment systems	As incurred	You must accept debit cards, credit cards, stored value gift cards or other non-cash payment systems specified by us to enable customers to purchase authorized products.
Market Research and Testing	Proportionate cost of conducting test marketing programs	As incurred	We may periodically conduct market research and testing to determine consumer trends and the salability of new food products and services. You must cooperate with us in connection with the conduct of such test marketing programs at your own expense.
New Product and Supplier Testing	A fee, not to exceed the actual cost of inspecting and testing	Within 30 days after receipt of invoice	Payable if you ask us to review a new supplier or new product, whether or not we

Type of Fee (1)	Amount	Due Date	Remarks
	the proposed product or evaluating the proposed supplier, including personnel and travel costs		approve the supplier or product (see Item 8 for a description of the supplier approval process).
Reimbursement of Insurance Costs	Cost of insurance, plus fee for our services in procuring the insurance	Upon demand	Payable only if you fail to obtain and maintain the minimum insurance we require, and we choose to procure the required insurance for you.
Relocation	A fee, plus our expenses incurred in connection with consideration of your relocation request	Upon demand, if required	You may not relocate a Franchised Restaurant without our prior written consent, which we may withhold in our sole discretion.
Taxes	You must reimburse us for actual costs of any taxes, fees, and/or assessments imposed on us by reason of our acting as franchisor or licensing the Marks (as defined in Item 13)	Within 30 days after receipt of the invoice	
Successor Franchise Fee	$15,000	At the time that the new franchise agreement is signed	
Site Analysis	Actual costs and expenses relating to travel, living and other expenses incurred by our representatives	As incurred	We will visit the site once you have identified locations. As part of the site acceptance process, we may require a site analysis prepared by a third-party vendor at your expense. We reserve the right to designate the third-party vendor used to prepare the site analysis.
QA Audit Costs	All actual costs and expenses incurred in connection with a QA Audit	Within 10 days after receipt of invoice from us	
Lost Revenue Damages	The aggregate of the Royalty Fee and the Brand Fund and Local Advertising Fund contribution percentages multiplied by the average monthly Gross Sales of your Franchised Restaurant during the	Within 15 days after the effective date of termination	If we terminate the Franchise Agreement because of your breach or if you terminate the Franchise Agreement without cause, you will pay us Lost Revenue Damages in an amount equal to the net present value of the Royalty Fee and the Brand Fund contribution that would have

Type of Fee (1)	Amount	Due Date	Remarks
	12 full calendar months immediately preceding the termination date, multiplied by the number of calendar months in the Measurement Period.		been paid had the Franchise Agreement not been terminated, from the date of termination to the earlier of: **(a)** 3 years following the date of termination, or **(b)** the scheduled expiration of the term of the Franchise Agreement ("Measurement Period").

NOTES

(1) Unless otherwise noted, all fees are imposed by, collected by, and payable to us and are not refundable. We anticipate that the fees identified in this Item 6 will be uniformly imposed on our franchisees.

(2) The term "Gross Sales" means all revenue from the sale of all products, including all food and beverage products, all other products or services offered at or from the Franchised Restaurant, and all other income of every kind and nature related to, derived from, or originating from the Franchised Restaurant, including off-premises catering and special events and proceeds of any business interruption insurance policies, whether at retail or wholesale (whether the sales are permitted or not), whether for cash, check, or credit, and regardless of collection in the case of check or credit. Gross Sales also includes 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) ("**Third-Party Service**") in connection with delivery or catering services related to your Franchised Restaurant (recognizing that though the Third-Party Service 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 Gross Sales). Gross Sales excludes any customer refunds, employee meals, customer discounts, coupon sales, sales taxes, and other taxes collected from customers by you and actually transmitted to the appropriate taxing authorities.

(3) Currently, each "Fiscal Week" is a calendar week, beginning on Monday and ending on Sunday. We have the right, following written notice to you, to vary the time period that comprises a Fiscal Week.

(4) You must participate in our electronic funds transfer program, which authorizes us to use a pre-authorized bank draft system. You must sign and complete the documents that we may require from time to time to authorize and direct your bank or financial institution to pay and deposit directly to our account. You must furnish to us and your bank all authorizations necessary to effect payment by the methods we specify. We reserve the right to modify, at our option, the method by which you must pay the Royalty, National Advertising Fund, and other amounts owed to us under the Franchise Agreement upon receipt of written notice by us.

ITEM 7
ESTIMATED INITIAL INVESTMENT

Type of Expenditure	Amount (1)	Method of Payment	When Due	To Whom Payment is to be made
Initial Franchise Fee **(2)**	$50,000	Lump sum	Upon signing Franchise Agreement	Us
Launch Fee **(2)**	$10,000	Lump sum	Upon signing Franchise Agreement	Us
Initial Technology Fee	$10,000	Lump Sum	Upon signing Franchise Agreement	Us
Real Estate **(3)**	$60,000 to $185,000	Per Landlord	As Incurred	Landlord
Architectural, Design and Engineering Fees **(4)**	$7,000 to $9,000	As incurred	As incurred	Third Parties, including our designated architect
Legal Fees	$10,000 to $30,000	As incurred	As incurred	Third Parties
Permits	$500 to $15,000	As incurred	As incurred	Third Parties
Liquor Licenses **(5)**	$0 to $15,000	As incurred	As incurred	Third Parties
Leasehold Improvements **(6)**	$400,000 to $1,700,000	As incurred	Progress payments during construction (usually with the final 10% upon completion)	General Contractors
Furniture, Fixtures and Equipment **(7)**	$100,000 to $350,000	Lump sum	Payment terms with suppliers	Suppliers, including our designated POS system supplier
Signage **(8)**	$3,000 to $35,000	As incurred	As incurred	Suppliers
Smallwares **(9)**	$2,000 to $5,000	As incurred	As incurred	Suppliers
Initial Inventory and Supplies **(10)**	$8,000 to $20,000	Lump sum	As incurred	Suppliers
Opening Advertising Program **(11)**	$50,000	As incurred	As incurred	Suppliers
Insurance **(12)**	$4,000 to $9,000	As incurred	As incurred	Third Parties
Travel and Living Expenses While Training **(13)**	$2,500 to $15,000	As incurred	Before beginning training	Third Parties

Type of Expenditure	Amount (1)	Method of Payment	When Due	To Whom Payment is to be made
Miscellaneous Opening Costs **(14)**	$20,000 to $50,000	As incurred	Before Opening	Suppliers, Utilities, etc.
Additional Funds - 3 months **(15)**	$25,000 to $75,000	As incurred	As incurred	Suppliers, Employees and Other Creditors
Total Estimated Initial Investment **(16)**	$762,000 to $2,633,000			

MULTI-UNIT DEVELOPER

TYPE OF EXPENDITURE	AMOUNT	METHOD OF PAYMENT	WHEN PAYABLE	TO WHOM PAYMENT IS MADE
Multi-Unit Development Fee **(2)**	$120,000	Lump Sum	On signing Development Agreement	Us
Estimated Initial Investment for 2 Restaurants	$762,000 to $2,633,000	As incurred	As incurred	Us, suppliers and third parties
TOTAL **(17)**	$882,000 to $2,753,000			

NOTES

(1) Costs paid to us or our affiliates are not refundable. Whether any costs paid to third parties are refundable will vary based on the practice in the area where the Franchised Restaurant is located.

(2) The Development Fee, the Initial Franchise Fee and the Launch Fee must be paid when the Development Agreement or Franchise Agreement (as applicable) is signed. See Item 5 for additional details.

(3) The cost of acquiring and constructing a location for the Franchised Restaurant will vary significantly depending upon a variety of factors, including the geographic location. We expect that you will lease the land and building for the Franchised Restaurant, which could include ground-up construction which is reflected in the rate above. If you chose to lease, the rent may range from $25.00 to $85.00 per square foot per year, for a square footage of approximately 2,200. The square footage of traditional premises ranging from approximately 1,300 to 3,600 square feet. You may be required to pay the first and last month's lease payment upon signing your lease agreement. Based upon rent paid for our Birdcall Restaurants during the fiscal year 2025, we estimate that the annual rent for leased space will range from $60,000 to $185,000, depending upon factors such as whether the Franchised

Restaurant is located within an existing retail business (e.g., shopping center), is a freestanding building or is an inline or corner unit in a strip center.

(4) You must, at your cost, ensure that your proposed plans for the Franchised Restaurant comply with all applicable ordinances, building codes and permit requirements, lease requirements and restrictions and the Americans with Disabilities Act. The cost of architectural design services will vary depending on the geographic location, size and condition of the premises.

(5) The cost to obtain required liquor licenses varies greatly from jurisdiction to jurisdiction depending on the licensing activity involved and the local liquor license resale market, if any.

(6) The cost of constructing a Franchised Restaurant will vary depending upon the size, condition, and location of the premises, price differences between various suppliers, and contractors and shipping distances from suppliers. You will need to construct improvements, or "build out," the premises at which you will operate the Franchised Restaurant. Costs may be much higher if you establish the Franchised Restaurant in an area where special requirements of any kind (e.g., historical, architectural, or preservation requirements) apply.

(7) The estimate is for the equipment you will need to operate the Franchised Restaurant, including refrigeration, freezers, dishwasher, and a computerized cash register system, which includes computer hardware and software which meets our specifications. If you choose to lease your POS system, your expenses may be different. This estimate does not include any equipment for catering or special events (which we must approve), as these are specialized areas of Franchised Restaurant operations which require experience and the ability to produce and serve according to the standards identified in the Manual.

(8) The cost of signs will vary from location to location depending on lease requirements, ordinances and restrictions, traffic patterns, competition, and other related factors. Your costs may also vary when considering other regulations such as zoning ordinances, and historical and architectural design standards. These factors will often impact professional fees and materials required in order to get approval of your proposed signs. Signage will include interior and exterior signs, as well as menu boards.

(9) Smallwares include silverware, kitchen utensils, and other small kitchen tools.

(10) This estimate is for inventory items which you are required to obtain according to our recipes and System specifications. The items will generally be purchased from suppliers who carry our specified items, or local produce companies, and are paid for at standard prices and terms. All items of inventory which you obtain from sources of your own choosing, (which sources must be approved by us in accordance with Item 8, prior to using such sources) are paid for directly to the supplier for those inventory items at prices agreed upon by you and the supplier. Your start-up inventory of products and supplies will vary based on expected volume of business and size of storage areas in the Franchised Restaurant. This estimate is for the initial inventory only. Costs will vary depending on local conditions.

(11) You must conduct grand opening advertising in the amount of $50,000 for the first Franchised Restaurant in the trade area; $25,000 for the second or greater Franchised Restaurant in the trade area. You will begin the grand opening promotion no later than 90 days before the Franchised Restaurant is scheduled to be opened and at least 90 days after the Franchised Restaurant is open.

(12) This figure reflects premiums for one year, paid in advance, for commercial general liability coverage, commercial excess liability (umbrella) coverage and liquor liability/dram shop, plus property and casualty coverage. Property and casualty coverage will vary considerably based on location, building construction, and fire protection measures in place. This figure does not include workers compensation premium costs, which vary considerably depending on payroll, state rates and experience ratings.

(13) You (or your Operating Principal) and your manager must attend and complete initial training. The range of costs in the chart reflects the estimated travel, meal, lodging and miscellaneous costs for you and your manager to attend initial training.

(14) This item covers such miscellaneous pre-opening costs and expenses as manager and employee labor, utilities and utility deposits, lighting supplies, office supplies, security deposit, pest control, postage and shipping, storage fees, bank service charges, payroll service charges, licenses, permits and a three-month premium for typical insurance coverage. Manager and employee labor expenses vary according to the wage rate and number of employees and managers hired and trained before opening your Franchised Restaurant.

(15) This is our estimate of your operating expenses for the initial 3 months of your business, including payroll costs for approximately 23 employees and 2 managers, rent, insurance, and utilities. These expenses do not include advertising or royalty payments made to us. The estimate also does not take into account revenue you may take in. Your actual costs will depend on factors such as how closely you follow our methods and procedures; your management skill, experience and business acumen; financing costs; local economic conditions; the local market for the Franchised Restaurant; the prevailing wage rate; competition in the marketplace; and the sales level reached during the initial period.

(16) We relied on the experience of our affiliate to compile these estimates. You should review these figures carefully with a business advisor before making any decision to purchase a franchise. We do not offer financing directly or indirectly for any part of the initial investment.

(17) This total assumes the development of 2 restaurants.

ITEM 8
RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

Authorized Products and Services

You may offer for sale and sell in the Franchised Restaurant only the products, services, and brands that we have designated in the Manual or otherwise in writing. You must offer all items that we designate as mandatory. We may also designate some items as optional. We may change the mandatory and optional menu items, recipes, ingredients, and other products and services in our sole discretion. We may require that you sell certain brands and prohibit you from selling other brands. You may sell products only in the varieties, weights, sizes, forms, and packages that we have designated. You must use only authorized ingredients and follow our recipes in the preparation of menu items. You may not use the Franchised Location for the sale or display of items not authorized by us. Within 15 days after we provide written notice to you, you must begin selling any newly authorized menu items (or using any newly authorized ingredients) and cease selling any menu item that is no longer authorized (or using any ingredient that is no longer authorized); however, if the discontinued menu item or ingredient could pose a hazard to the public or prove detrimental to the system, you must cease selling or using that item or ingredient immediately.

All food and beverages authorized for sale at the Franchised Restaurant must be offered for sale under the name that we specify. The design of the menus in the Franchised Restaurant must conform to our specifications and be approved in writing by us. We periodically will provide you suggested retail prices for the products and services offered at the Franchised Restaurant and, to the extent permitted by applicable law, we may require that you adhere to our suggested prices, including maximum prices. If you have a suggestion for a new menu item or ingredient or, or for a change to an authorized menu item or ingredient, or you wish to participate in a test market program, you must notify us before you implement any such change or commence any such program. You may not add or modify any menu item or participate in a test market program without first obtaining our prior written approval.

Supplier Approval Process

We have the right to require that all food and non-food products, supplies, equipment and services that you purchase for use, sale or resale in the Franchised Restaurant: **(a)** meet specifications that we establish from time to time; **(b)** be purchased only from suppliers that we have consented to (which may include us and/or our affiliates); and/or **(c)** be purchased only from a single source or from a limited number of designated sources (which may include us and/or our affiliates). To the extent that we establish specifications, require our consent to suppliers or designate specific suppliers for particular items, we will publish our requirements in the Manual or otherwise in writing (which includes electronic publication). We have developed and may continue to develop certain proprietary food products that will be prepared by or for us according to our proprietary special recipes and formulas, and you agree to purchase those food products developed by us pursuant to a special recipe or formula only from us, our affiliates or a third party designated and licensed by us to prepare and sell such products. We may create purchasing restrictions to control the quality and selection, and ensure the consistency, of menu items, ingredients and other merchandise; to consolidate System purchases to reduce costs or ensure availability of products; or for other valid business reasons.

If you would like to purchase other products or services from a supplier which we have not approved, you must submit a written request for approval. Criteria for approving proposed suppliers will be made available to you on your request. We have the right to inspect the proposed supplier's facilities and test samples of the proposed products. You agree to pay to us a reasonable fee, not to exceed the actual cost of the inspection and testing the proposed product or evaluating the proposed supplier, including personnel and travel costs, whether or not the product or supplier is accepted. We have the right to grant, deny or revoke consent to products, services and suppliers in our sole discretion. We will notify you of our decision as soon as practicable following our evaluation, not to exceed 90 days. If approval is obtained, you may contract with the accepted supplier. We reserve the right to reinspect the facilities and products of any accepted supplier and revoke acceptance in writing upon the supplier's failure to meet any of our then-current criteria.

We do not currently have purchasing or distribution cooperatives, but we reserve the right to establish them. There are no approved suppliers in which any of our officers own an interest. Except as described in this Item 8, we do not provide any material benefits to you based on your use of designated or approved suppliers.

Required Purchases and Leases

You are required to purchase a point-of-sale system provided by our affiliate, BCTech LLC). You will enter into a contract directly with BCTech LLC. You are also required to purchase merchant services from PaySimple.

We require you to purchase certain brands of select ingredients as described in the Manual;

however, we reserve the right to modify this list from time to time. In the future we may require you to purchase certain types or brands of food, paper and other products and services that meet our standards and specifications from designated or approved suppliers.

Except as stated above, as of the date of this disclosure document, neither we nor any of our affiliates are required or approved suppliers for any product. We and our affiliates may earn income on sales of products, ingredients, and/or supplies to you. We may receive rebates, commissions, or other payments from third-party suppliers based on your purchases from them. While we are entitled to retain this income and consideration, our current policy is to contribute the funds to the National Marketing Fund.

We estimate that the purchase of products from us, our affiliates, or our approved or designated suppliers and/or products that are subject to our standards and specifications represents approximately 30% to 90% of your total purchases and leases in the establishment and continuing operation of the Franchised Restaurant.

Computer System

See Item 11 for information regarding our current minimum standards for the computer system for the Franchised Restaurant and your related obligations under the Franchise Agreement.

Insurance

During the term of the Franchise Agreement, you must maintain in full force and effect that insurance which you determine to be necessary, which must include at least the types of insurance and the minimum policy limits specified in the Manual or otherwise in writing. Each insurance policy must be written by an insurance company that maintains an "A+" or better rating by the latest edition of Best's Insurance Rating Service (or another rating service designated by us). The insurance policy or policies must be in effect when you execute the Franchise Agreement. The insurance policy or policies must protect you, us, and our respective past, present, and future officers, directors, managers, members, owners, employees, servants, representatives, consultants, attorneys, and agents. We and any entity with an insurable interest designated by us must be named as additional insureds in the policy or policies (statutory policies excepted). Each policy must include a waiver of subrogation in our favor. We may require additional types of coverage or increase the minimum amount of coverage upon reasonable notice. Your obligation to obtain coverage is not limited in any way by insurance that we maintain. You must provide us with certificates of insurance evidencing the required coverage and proof of payment no later than the date on which you sign the Franchise Agreement. The evidence of insurance must include a statement by the insurer that the policy or policies will not be canceled or materially altered without at least 30 days' prior written notice to us. If you fail to obtain and maintain insurance coverage as required by the Franchise Agreement, we have the right, but not the obligation, to obtain the required insurance on your behalf and to charge you for the cost of the insurance, plus a reasonable fee for our services in procuring the insurance.

ITEM 9
FRANCHISEE'S OBLIGATIONS

This table lists your principal obligations under the Franchise and Development 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 (FA) and Development Agreement (DA)	Disclosure Document Item
a.	Site selection and acquisition/lease	FA: Sections 3 and 4 DA: Sections 5 and 6	1,7, 8 and 11
b.	Pre-opening purchases/leases	FA: Sections 3, 4, 5.2 and 12.12 DA: Sections 5 and 6	5, 7, 8 and 11
c.	Site development and other pre-opening requirements	FA: Sections 3 and 5 DA: Sections 3 and 5	1, 7, 8 and 11
d.	Initial and ongoing training	FA: Section 9 DA: Section 5.6	6, 7, 11
e.	Opening	FA: Sections 5.2, 5.3, 10.1 and 10.2 DA: Not Applicable	11
f.	Fees	FA: Sections 3.2, 3.3, 5.3.2, 6, 8, 9 and 10.2 DA: Sections 4, 5.2, 5.3, 5.5 and Exhibit A	5, 6, 7
g.	Compliance with standards and policies/Operating Manual	FA: Sections 11 and 12 DA: Not Applicable	8, 11, and 14
h.	Trademarks and proprietary information	FA: Sections 8.10, 13 and 18 DA: Section 11.1	13 and 14
i.	Restrictions on products/services offered	FA: Sections 12.3 and 12.6 DA: Not Applicable	5, 8, and 16
j.	Warranty and customer service requirements	FA: Sections 12.9, 12.10 and 12.11 DA: Not Applicable	16
k.	Territorial development and sales quotas	FA: Sections 1.3 DA: Sections 1.1, 2, 3 and Exhibit A	12
l.	Ongoing product/service purchases	FA: Sections 12.3 and 12.6 DA: Not Applicable	8, 16
m.	Maintenance, appearance and remodeling requirements	FA: Sections 12.7 and 12.8 DA: Not Applicable	8
n.	Insurance	FA: Section 12.12 DA: Sections 5.5 and 14.2	7 and 8

Obligation	Section in Franchise Agreement (FA) and Development Agreement (DA)	Disclosure Document Item
o. Advertising	FA: Section 8 DA: Not Applicable	6, 8, and 11
p. Indemnification	FA: Section 23 DA: Section 14	None
q. Owner's participation/ management/staffing	FA: Sections 12.10 and 12.11 DA: Section 7	15
r. Records and reports	FA: Sections 6.4 and 7 DA: Not Applicable	6
s. Inspection and audits	FA: Sections 5.1, 5.2, 7.4, 12.6.4, 12.13 and 13.3 DA: Not Applicable	6 and 11
t. Transfer	FA: Sections 15 and 16 DA: Sections 8 and 9	17
u. Renewal	FA: Section 2.2 DA: Not Applicable	17
v. Post-termination obligations	FA: Section 20 DA: Section 12.4	17
w. Non-competition covenants	FA: Section 18 DA: Section 11	17
x. Dispute resolution	FA: Section 28 DA: Section 19	17
y. Taxes/permits	FA: Sections 5, 12.5, 12.14, 12.15, 21.10 DA: Not Applicable	1

ITEM 10
FINANCING

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

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

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

Our Pre-Opening Obligations

Before you open the Franchised Restaurant, we will:

1. Conduct an onsite visit to the site(s) you propose. Advise you in writing whether we have accepted the site within 60 days after we receive a complete site review report (as determined by us). If we do not respond within 60 days, we will be deemed to have rejected the site. (Franchise Agreement § 3.4.1)

2. Review the proposed sublease, lease, or purchase contract for the accepted site to ensure that it includes the provisions we require as set forth in the Franchise Agreement. (Franchise Agreement § 4)

3. Review the plans and specifications for your Franchised Restaurant. (Franchise Agreement § 5.1.1)

4. Provide you a list of the approved third-party suppliers of signs, fixtures, and initial inventories and goods for a Birdcall Restaurant. (Franchise Agreement § 10.1)

5. Loan you one copy of, or provide you with electronic access to, the Manual, which contains detailed standards, specifications, instructions, forms, reports, and procedures for management and operation of the Franchised Restaurant. You may keep the Manual for as long as the Franchise Agreement (or any Successor Franchise Agreement) remains in effect, but the Manual remains our property. We may revise the contents of the Manual, and you agree to comply with each new or changed section. (Franchise Agreement § 11). We will permit you to inspect a copy of the Manual at our offices before you purchase a franchise, if you first sign a Confidentiality Agreement, which is attached as Exhibit D.

6. Provide to you (or your Operating Principal), your manager and any other managerial personnel that we designate the ITP. Our training program is described below. (Franchise Agreement § 9.1)

7. Provide consultation and advice to you with regard to construction or renovation of the Franchised Restaurant, building layout, furnishings, fixtures and equipment plans and specifications, employee selection and training and purchasing and inventory control. (Franchise Agreement § 10.1)

<u>Our Obligations After Opening</u>

During the operation of the Franchised Restaurant, we will:

1. Collect, administer, and spend for advertising purposes monies paid by franchisees and company- or affiliate-operated Birdcall Restaurants into the Brand Fund (if established) as described below. (Franchise Agreement §§ 8.3 and 8.4)

2. Periodically change the System, including modifications to the Manual, the menu, the required equipment, the signage, the Marks, and the Trade Dress. You must accept, use, or display in the Franchised Restaurant any such System changes and make such expenditures as the System changes require. We also have the right to vary System standards, in our reasonable judgment, to accommodate circumstances of individual franchisees. (Franchise Agreement § 12.2)

3. Provide additional ongoing training to you (or your Operating Principal), your managerial personnel and/or other previously trained and experienced staff members at the times and locations that we designate. (Franchise Agreement § 9.2)

4. Periodically advise and consult with you regarding the operation of the Franchised Restaurant and make available, as we believe appropriate, information regarding the System and new developments, techniques, and improvements in the areas of restaurant design, implementation of technology, operations, management, menu development, sales and customer service, marketing, and other areas. We may provide these services through visits by our representatives to the Franchised Restaurant or your offices (although we are not obligated to make any visits), the distribution of printed or filmed material, an Intranet or other electronic forum, meetings or seminars, training programs, telephone communications, or other forms of communications. (Franchise Agreement § 10.3)

Marketing

Grand Opening Marketing. You must conduct initial marketing for the Franchised Restaurant, in an amount we determine, in accordance with a grand opening plan that you have prepared and to which we have consented.

National Brand Fund ("Brand Fund"). We have the right, in our sole discretion, to establish a National Brand Fund at a minimum of 2% of Gross Sales per Fiscal Week upon reasonable notice to you. We may use the Brand Fund Contributions and any earnings of the Brand Fund for any costs associated with advertising, marketing, public relations, promotional programs and materials (which may be national, regional or local in scope), and/or any other activities that we believe would benefit the System, including the following: advertising campaigns in various media; point-of-purchase materials; review of locally-produced ads; free standing inserts; brochures; purchasing and/or developing promotional materials; market research, including secret shoppers; sponsorships; design and maintenance of a web site; celebrity endorsements; trade shows; association dues; search engine optimization costs; establishment of a third party facility for customizing local advertising; accounting costs; and holding an annual franchise convention.

We will not use the Brand Fund for any activity whose sole purpose is the marketing of franchises or the soliciting of franchisees; however, you acknowledge that the Birdcall web site, public relations activities, community involvement activities, and other activities that may be supported by the Brand Fund may contain information about franchising opportunities. We have the right to direct all programs supported by the Brand Fund, with final discretion over creative concepts, the materials and media used in the programs, and their placement. We may work with our in-house advertising department and/or a regional advertising agency to develop advertising for print and radio. We do not guarantee that you will benefit from the Brand Fund in proportion to your contributions to the Brand Fund. In spending advertising monies, we will not be obligated to make expenditures for any franchisee that are equivalent or proportionate to that franchisee's contribution or to ensure that any particular franchisee benefits directly or on a pro rata basis from expenditures of the funds. We likewise will not be obligated to spend any amount on advertising in the area of territory in which your Franchised Restaurant is located. You must participate in all advertising, marketing, promotions, research, and public relations programs instituted by the Brand Fund.

We will not use any contributions to the Brand Fund to defray any of our general operating expenses, except for reasonable administrative costs and overhead that we incur in activities reasonably related to the administration of the Brand Fund or the management of Brand Fund-supported programs (including salaries of our personnel who devote time to Brand Fund activities). We will separately account for the Brand Fund, but we do not need to segregate Brand Fund monies from our other monies. We may terminate and subsequently restart the Brand Fund. On termination, we may spend the remaining monies for Brand Fund purposes or return the monies to the restaurants that contributed to the Brand Fund on a pro rata basis.

Any point-of-sale materials produced with Brand Fund monies will be made available to you at a reasonable cost, and the proceeds of such sales will be credited to the Brand Fund. We are not required to have an independent audit of the Brand Fund completed. We will make available an unaudited statement of contributions and expenditures for the Brand Fund no sooner than 90 days after the close of our fiscal year to franchisees who make a written request for a copy. Birdcall Restaurants owned by us and/or our affiliates will contribute to the Brand Fund on the same basis as comparable franchisees. If we reduce the Brand Fund Contribution for franchisees, we will have the right to reduce by the same amount the required contribution for Birdcall Restaurants operated by us or our affiliates.

There currently is no franchisee advertising council that advises us on advertising policy.

Regional Advertising Fund. We have the right, in our sole discretion, to establish one or more regional advertising funds for Birdcall Restaurants ("**Regional Advertising Funds**"). We will determine the geographic area covered by a Regional Advertising Fund based on the location of Birdcall Restaurants in the area and the reach of print, radio and television media in the area. If a Regional Advertising Fund is established for a geographical area that includes the Franchised Location, you must contribute to that Regional Advertising Fund in the amount that we specify.

We or our designee will direct all advertising, marketing, and public relations programs and activities financed by the Regional Advertising Fund, with sole discretion over the creative concepts, materials and endorsements used in those programs and activities, the geographic, market and media placement, and the allocation of advertising and marketing materials. The Regional Advertising Fund may be used to pay the costs of preparing and producing such associated materials and programs as we or our designee may determine, including video, audio, and written advertising materials; employing advertising agencies; sponsorship of sporting, charitable, or similar events; administering regional and multi-regional advertising programs, including, without limitation, purchasing direct mail and other media advertising and employing advertising agencies to assist with these efforts; and supporting public relations, market research, and other advertising, promotional, and marketing activities. You must participate in all advertising, marketing, promotions, research, and public relations programs instituted by the Regional Advertising Fund.

We will separately account for each Regional Advertising Fund, but we do not need to segregate any Regional Advertising Fund monies from our other monies. We are not required to have an independent audit of the Regional Advertising Fund completed. We will make available an unaudited statement of contributions and expenditures for a Regional Advertising Fund no sooner than 90 days after the close of our fiscal year to franchisees who contribute to that Regional Advertising Fund and who make a written request for a copy. We may terminate and subsequently restart any Regional Advertising Fund. On termination, we may spend the remaining monies for Regional Advertising Fund purposes or return the monies to the restaurants that contributed to that Regional Advertising Fund on a pro rata basis.

Birdcall Restaurants operated by us or our affiliates in an area covered by a Regional Advertising Fund will contribute to the Regional Advertising Fund on the same basis as comparable franchisees. As of the date of this disclosure document, we have not yet established any Regional Advertising Funds.

With respect to the Brand Fund or a Regional Advertising Fund, while we may spend in any fiscal year an amount greater or less than the aggregate contribution of Birdcall Restaurants to the applicable Fund, generally, we believe that we will spend all advertising payments during the taxable year in which the contribution and earnings are received. If we do not spend the advertising payments in one year, we will likely spend them in the following year or distribute any surplus to then-current franchisees who contribute to the applicable Fund and restaurants operated by us or our affiliates.

Local Marketing. You must spend the greater of 1% of Gross Sales or $1,500 for local marketing in authorized advertising media and for authorized advertising expenditures. We or our designee periodically will advise you of the authorized advertising media and authorized advertising expenditures.

You must conduct all marketing in a dignified manner and in accordance with the standards and requirements we specify periodically. We may provide to you a marketing manual, guidelines for creating a marketing plan, scripts, and branding tools. You may be required to pay a reasonable fee for accessing and customizing local advertising and promotional materials. All advertising and promotional materials must bear the Marks in the form, color, location, and manner that we prescribe. We will have the final decision on all creative development of advertising and promotional messages. We own all advertising and promotional materials developed by you, and you will take all actions we specify to vest ownership in us.

You must submit to us in writing for our prior acceptance all sales promotional materials and advertising that have not been prepared, or previously accepted, by us and identify the proposed media in which you propose to place the advertising. If our written consent to the material and its proposed placement is not received within 10 days after the date that we received the material, the material may not be used. In no event will your advertising or marketing materials contain any statement or material that, in our sole discretion, may be considered: **(a)** in bad taste or offensive to the public or to any group of persons; **(b)** defamatory of any person or an attack on any competitor; **(c)** to infringe upon the use, without permission, of any other persons' trade name, trademark, service mark or identification; **(d)** inconsistent with the public image of the System or the Marks; or **(e)** not in accordance with any federal or state laws. We reserve the right to require you to discontinue the use of any advertising or marketing materials.

You may not, without our prior written approval, engage in any activities with, or donate any money, products, services, goods, or other items to organizations, groups, or activities (for example, political or religious groups) if those activities or donations may be perceived by the public to be taken in the name of, or in connection or association with, you, the Marks, the Franchised Restaurant, us, or the System. In addition, we may periodically identify with certain charitable organization(s) for the purposes of enhancement of the System and the Marks. If we choose to identify with such organizations, then, upon our prior approval, you may donate products (with credit determined at wholesale prices) or money (in conjunction with promotional programs) to such organization(s) for which you may receive, upon submission to us of information regarding such donations in a form we prescribe, a credit of up to 0.5% of annual Gross Sales towards your required local marketing obligation.

Point-of-Sale Materials. If we develop any point-of- sales materials, we may offer to sell those to you at a reasonable cost.

Social Media. You agree not to promote, offer or sell any products or services relating to the Franchised Restaurant through, or use any of the Marks in, any form of electronic communications, including Internet web sites, social networking sites, applications or other future technological avenues that enable users to create and share content or to participate in social networking (collectively, "Social Media"), without our prior written consent, which we may withhold for any or no reason. You must, at all times, comply with our Social Media policy, as modified periodically. You expressly acknowledge and agree that your use of any Social Media relating to the Franchised Restaurant is subject to our prior written approval. Unless approved by us, you may not establish an independent site or page on any Social Media. If we authorize you to have and/or design a site or a page on any Social Media for the Franchised Restaurant, your site and page may only be accessed from our site or page, and we may prohibit links between your site or page and any other site, unless we otherwise advise you. You acknowledge that any use of Social Media by you with respect to the Franchised Restaurant constitutes advertising and promotion subject to this Section 8, and you agree to comply with any additional policies and standards we issue from time to time with respect to Social Media. You acknowledge that any copyright in your sites or pages on any Social Media will be deemed to be owned by us, and you agree to sign any documents that we reasonably deem necessary to affirm our ownership of the copyright. If necessary, you must ensure cooperation with us by any web site service provider or web site hosting company with which you do business. You represent that you have or will have the lawful right to use any proprietary materials of others that appear on your sites or pages on Social Media. We periodically may provide to you content for your sites and pages on Social Media, including copy, news stories and photographs. We must consent to any changes

Public and Media Relations. You may not issue any press or other media releases or other communications without our prior consent. As a franchisee of the System, you may only participate in internal and external communications activities that create goodwill, enhance our public image, and build the Birdcall brand.

Computer System

You must obtain and install, at your expense, the Poncho point-of-sale system ("**POS System**"), and its related modules (such as, but not limited to, online ordering, customer kiosk ordering, customer queue screen, drive-through ordering, and the kitchen display systems). We reserve the right to specify a vendor or supplier and, if acquired through us, charge you for such hardware, software, support, and other related services ourselves. As of the date of this disclosure document, Poncho is the only approved supplier of the POS System. Your POS System must record customer transactions and collect and generate Gross Sales for the Franchised Restaurant and sales by categories. We also reserve the right to require you to replace your existing POS System with one designated by us, at your sole cost, but not more frequently than every 24 months. We may require you to install and maintain any software or other proprietary system designated by us, at your sole cost. The current cost to obtain the hardware and software system is approximately $10,000 to $100,000 with the monthly fee included in the franchise technology fee. We will determine the minimum number of workstation terminals, kitchen display systems and remote printers required based upon the number of seats in the Franchised Restaurant.

We will have independent access to the information and data on the POS System, and there are no contractual limitations on our right to access that information. Neither we, our affiliates, nor any third parties are required to provide ongoing maintenance, repairs, upgrades, or updates to your computer system. Currently, we estimate that the annual cost of optional or required maintenance, upgrades or updates for you POS System (excluding hardware) is included in the franchise technology fee. Hardware maintenance costs are at your sole cost.

You must: **(a)** maintain on the computer system only the financial and operating data specified in the Manual; **(b)** transmit data to us in the form and at the times required by the Manual; **(c)** give us unrestricted access to your computer system at all times (including IDs and passwords, if necessary) to download and transfer via modem or other connection as we determine; **(d)** maintain the computer system in good working order at your own expense; **(e)** replace or upgrade the computer system as we require (but not more than every 24 months); **(f)** install high speed Internet and/or communications connections; **(g)** ensure that your employees are adequately trained in the use of the computer system and our related policies and procedures; **(h)** comply with the Payment Card Industry Data Security Standard ("**PCI DSS**") at all times; **(i)** engage any vendor we designate to ensure the security of your data and compliance with the PCI DSS; and **(j)** use any proprietary software or support services and other proprietary materials that we provide to you in connection with the operation of the Franchised Restaurant and if we so require, execute a license agreement and pay to us a reasonable license fee for the use of such proprietary software. You may not install any software other than authorized upgrades or make any hardware modifications to the computer system without our express written consent. Because computer designs and functions change periodically, we may make substantial modifications to our computer requirements or require installation of entirely different systems during the term of the Franchise Agreement.

Selecting the Location of Your Franchised Restaurant

We do not select the specific site for your Franchised Restaurant. You select the site for your Franchised Restaurant, subject to our acceptance based on the site selection criteria in effect at the time of your request. As noted in Item 1, you should not acquire any interest in a site for your Franchised Restaurant until we have approved you as a Birdcall franchisee and we have accepted the site. You must select the site from within a general area mutually agreed to in writing by you and us, and you must obtain acceptance for a site within 180 days after you sign the Franchise Agreement. If we do not accept a site within that time period, we, at our option, may terminate the Franchise Agreement.

With respect to each proposed site, you must submit to us a site review report consisting of financial proformas, a description of the site, photographs, demographic information, site characteristics (including access and egress points and the amount of road traffic), other restaurant options in the area, and any other information that we may require, including, but not limited to, a letter of intent or other evidence satisfactory to us, which confirms your favorable prospects for obtaining the site. In addition, we may require a site analysis prepared by a third-party vendor at your expense. We reserve the right to designate the third-party vendor used to prepare the site analysis. If the site review report is acceptable, we will conduct a one on-site evaluation of the proposed site before deciding whether to accept the site. You will pay all travel, living and other expenses incurred by our representative. Within 60 days after receipt of a complete (as determined by us) site review report, we will advise you in writing whether we have accepted the site; however, we have no obligation to review any site review report if you or your affiliates are not in full compliance with all agreements with us and/or our affiliates. If we do not respond within that time period, we will be deemed to have denied acceptance of the site. Our acceptance or denial of acceptance of a site may be subject to reasonable conditions as determined in our sole discretion.

Our acceptance indicates only that we believe that the site meets our then-current site selection criteria. Applying criteria that have appeared effective with other sites might not accurately reflect the potential for all sites, and demographic and/or other factors included in or excluded from our criteria could change, altering the potential of a site. The uncertainty and instability of these criteria are beyond our control, and we are not responsible if a site we accept fails to meet your expectations. Your submission of a proposed site for our acceptance is based on your own independent investigation of the site's suitability for a Franchised Restaurant.

Typical Time Between Agreement Signing and Opening

The length of time between signing of the Franchise Agreement and the opening of the Franchised Restaurant is typically 12 to 24 months. Factors affecting the length of time between the execution of the Franchise Agreement and the opening of the Franchised Restaurant include the sourcing of economically viable sites, site plan and building permit approvals, obtaining required liquor licenses, obtaining any site licenses and government approvals, constructing the building and site improvements, weather variations and hiring, and training managers and hourly employees.

Training

Initial Training Program ("ITP"). Before the Franchised Restaurant opens, you (or your Operating Principal) and your manager must attend and successfully complete, to our satisfaction, the ITP. If the Franchised Restaurant will be your second or third Franchised Restaurant, then you must have your manager attend and successfully complete, to our satisfaction, the ITP. If the Franchised Restaurant will be your fourth Franchised Restaurant or more, then you will be responsible for training your manager and staff. The Franchised Restaurant must also be under the active full-time management of you (or your Operating Principal) and a manager who has successfully completed (to our satisfaction) the ITP.

We will bear the cost of instruction and required materials in connection with the initial training program. You will bear all other expenses incurred in attending training, such as the costs of transportation, lodging, meals, wages, and worker's compensation insurance. See Items 6 and 7 of this disclosure document.

The ITP takes place at those location(s) that we may specify and is offered on an "as needed" basis. ITP will include both classroom and hands on training at a variety of training venues, which may include our corporate office in Colorado, and other locations as we may approve. Our training will continue at your location prior to opening.

The following chart summarizes the subjects taught during ITP:

TRAINING PROGRAM

SUBJECT	HOURS OF CLASSROOM TRAINING	HOURS OF ON THE JOB TRAINING	LOCATION
Back of House (Preparation, Chicken, Line, Expo, etc.)	0	40	Affiliate owned Restaurant or your Franchised Restaurant
Front of house (Birdtender, Drive Through, etc.)	0	40	Affiliate owned Restaurant or your Franchised Restaurant
Manager Training - Bartender	24 – 32	40	Our corporate office and Affiliate owned Restaurant or your Franchised Restaurant
Manager Training – Practical Application	0	40 to 80	Our corporate office and Affiliate owned Restaurant or your Franchised Restaurant
TOTAL	24 to 32	80 to 160	

Training Materials and Methods. Our training materials include our training manual, and on-the-job training guides. All training materials that we provide to you remain our property. Except for the ITP, we have the right to provide training programs in person, video, via a web-based portal, in printed or electronic format, or by other means, as we determine.

Patrick Thayer supervises Birdcall's training programs delivered by designated Certified Trainers with assistance from field leadership. Mr. Thayer has more than 10 years of experience in restaurant operations, HR, NROs, training development and leadership training, and nearly 15 years in the restaurant industry**.** Our Certified Trainers will have a minimum of 1 year with the Birdcall System, and 1 year of Franchise restaurant experience. Other Parent employees and employees of the Training Restaurant or other locations (who concentrate in the areas they teach) will also participate in leading training.

Ongoing Training; Training of Replacement Personnel. We may require you (or your Operating Principal), your trained personnel and experienced staff members to attend and complete satisfactorily various training courses that we periodically choose to provide at the times and locations that we designate, as well as periodic conventions, regional meetings, and conferences that we specify. We may charge a fee for these courses as determined by us. You must pay all salaries, benefits, travel, living, and other expenses incurred by you and your employees during all training courses and programs.

We require that your replacement managerial personnel satisfactorily complete our training programs within the time period required by the Manual after being designated as managerial or training personnel. We may charge a fee for these training programs as determined by us.

Any specific ongoing training or advice we provide does not create an obligation (whether by course of dealing or otherwise) to continue to provide such specific training or advice, all of which we may discontinue and modify from time to time.

ITEM 12
TERRITORY

Development Agreement

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

Under the Development Agreement, you will receive a Development Area, which will be mutually agreed upon by us and you. The size of the Development Area will depend on the number of Franchised Restaurants you have agreed to develop and the population density in the Development Area. A description of the Development Area will be attached as an exhibit to the Development Agreement.

We reserve to ourselves the right to: **(a)** operate and license others to operate Birdcall Restaurants in transportation facilities (including airports, train stations, subways and rail and bus stations); military bases and government offices; sports facilities (including stadiums and arenas); car and truck rest stops and travel centers; educational facilities; hospitals and health care facilities; recreational theme parks; Indian reservations; casinos; any location in which foodservice is or may be provided by a master concessionaire; or any other similar location we believe, in the exercise of our reasonable judgment, to be a captive market location; **(b)** manufacture, distribute and sell, or cause to be manufactured, distributed and sold, food, goods, wares, merchandise, services and products, whether or not authorized for sale at Birdcall Restaurants, under the Marks or other trademarks, service marks, logos or commercial symbols, at wholesale or retail, in the Development Area through any channel of distribution, including, but not limited to, mail order and catalog, direct mail advertising, the Internet and other methods of distribution, other than through the operation of a "bricks and mortar" restaurant; **(c)** operate and license others to operate delivery kitchens devoted to the preparation of products authorized for sale at Birdcall Restaurants (often referred to as ghost, dark or cloud kitchens), which may use the Marks and may deliver to customers regardless of their location; **(d)** merchandise and distribute products identified by some or all of the Marks to foodservice businesses in the Development Area (other than Birdcall Restaurants), provided those foodservice businesses are not licensed to use the Marks in connection with their retail sales; **(e)** develop and/or own other franchise systems for the same or similar products and services using trade names and trademarks other than the Marks; **(f)** sell and distribute, or license others to sell and distribute, directly or indirectly, products identified by any of the Marks at special events in the Development Area; and **(g)** purchase, be purchased by, merge or combine with, businesses that directly compete with

Birdcall Restaurants.

Except as reserved in the paragraph above, we will not, during the term of the Development Agreement, operate or franchise others to operate Birdcall Restaurants in the Development Area, provided you are in compliance with the terms of the Development Agreement and any other agreements with us or our affiliates and you are current on all obligations due to us and our affiliates. The Development Agreement does not prohibit us or our affiliates from: **(a)** operating or licensing others to operate, during the term of the Development Agreement, Birdcall Restaurants at any location outside of the Development Area; or **(b)** operating or licensing others to operate, after the Development Agreement terminates or expires, Birdcall Restaurants at any location, including locations inside the Development Area.

Continuation of the limited restrictions on our ability to operate and license others to operate Birdcall Restaurants in the Development Area does not depend on your achieving a certain sales volume, market penetration or other contingency. However, if you are in default of the Development Agreement (which may include, but is not limited to, a default for failing to comply with the Development Schedule) or any Franchise Agreement and fail to cure the default within the applicable cure period (if any), we may terminate the Development Agreement and your limited rights in the Development Area. There are no other circumstances in which we can unilaterally modify your limited rights in the Development Area.

There are no restrictions on the areas in which you or we may advertise or solicit customers, nor must we compensate you if we solicit or accept orders from inside the Development Area. We reserve all rights to use and license the System other than those we expressly grant under the Development Agreement and Franchise Agreement. The rights we reserve include the right to use any other channel of distribution, including the Internet, to make sales in the Development Area using the Marks or different proprietary marks.

Franchise Agreement

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

After we have consented to a specific location ("Franchised Location"), we will designate a territory within which we will not establish or license anyone else to establish another Franchised Restaurant during the term of the Franchise Agreement ("Protected Area"). The size of the Protected Area will be based on the particular area surrounding the Franchised Restaurant. It will typically be an area with a radius of up to 3 miles for a Franchised Location, although this radius may vary based upon demographics, whether it is an urban or non-urban area and population, but not less than a 1 mile radius.

Nothing in the Franchise Agreement prohibits us or our affiliates from, among other things: **(a)** operating or licensing others to operate, during the term of the Franchise Agreement, Birdcall Restaurants at any location other than the Franchised Location; **(b)** operating or licensing others to operate, after the Franchise Agreement terminates or expires, Birdcall Restaurants at any location, including the Franchised Location; **(c)** operating and licensing others to operate Birdcall Restaurants in the Protected Area that are located in transportation facilities (including airports, train stations, subways, ferry terminals, rail and bus stations and other public transportation facilities); military bases and government offices; sports facilities (including stadiums and arenas); toll road plazas, highway rest areas and travel centers; universities, schools and educational facilities; hospitals and other health care facilities; amusement parks and recreational theme parks; museums; Indian reservations; casinos and other entertainment or tourist facilities; any location in which foodservice is or may be provided by a master concessionaire; and any other similar location we believe, in the exercise of our reasonable judgment, to be a captive market location; **(d)** manufacturing, distributing and selling at wholesale or retail, or license others to manufacture, distribute and sell at wholesale or retail, merchandise, products and services, whether or not authorized for sale at Birdcall Restaurants under the Marks in the Protected Area through any channel of distribution, other a restaurant; **(e)** operating and licensing others to operate delivery kitchens devoted to the preparation of products authorized for sale at Birdcall Restaurants (often referred to as ghost, dark or cloud kitchens), which may use the Marks and may deliver to customers regardless of their location; **(f)** merchandising and distributing products identified by any of the Marks to foodservice businesses in the Protected Area (other than Birdcall Restaurants), provided those foodservice businesses are not licensed to use the Marks in connection with their retail sales; **(g)** developing and/or owning other franchise systems for the same or similar products and services using trade names and trademarks other than the Marks; **(h)** selling and distributing, or licensing others to sell and distribute, directly or indirectly, products identified by any of the Marks at special events in the Protected Area; and **(i)** purchasing, being purchased by, merging or combining with, businesses that directly compete with Birdcall Restaurants.

Under the Franchise Agreement, you do not receive any right of first refusal (or similar right) to develop or operate additional Franchised Restaurants. Our prior written consent is required before you relocate the Franchised Restaurant. Factors used to approve a request for relocation include, without limitation, whether: **(1)** the need for relocation arises from adverse circumstances at the present site beyond your control; **(2)** the proposed new site meets our then-current standards for development; and **(3)** the proposed new site, in our opinion, will not adversely impact existing Birdcall Restaurants.

<u>Your Rights and Restrictions</u>

You may only sell or distribute products identified by some or all of the Marks from the Franchised Location and at off premises special events and catering within the Protected Area as we approve; you may not use any other method or channel of distribution. We do not impose any geographic restrictions on your ability to solicit customers; however, see Item 11 for restrictions on your use of Social Media. There are no restrictions on our ability to solicit customers, nor must we compensate you if we solicit or accept orders. As of the date of this disclosure document, neither we nor any affiliate operate or plan to operate or franchise businesses under a different trademark that sell goods or services that are the same as or similar to those you will sell.

ITEM 13
TRADEMARKS

We grant you the right to operate a retail restaurant under the “Birdcall” name and mark and to use the Marks in the operation of your Franchised Restaurant. By Marks, we mean the “Birdcall” name and mark and certain other names, marks, logos, insignias, slogans, emblems, symbols, and designs that we have designated, or may in the future designate, for use with the System.

We have the right, following reasonable notice to you, to change, discontinue, or substitute any of the Marks and adopt new Marks for use with the System without any liability for any diminishment of the System. You must implement any such change at your own expense, regardless of the reason for, or the cost to you of, the change, within the time that we specify.

The following principal trademarks have been registered by our Parent Company with the United States Patent and Trademark Office (“**USPTO**”) on the Principal Register:

Mark	Registration Number	Registration Date
birdcall	5,360,957	12/19/2017
birdcall	5,360,959	12/19/2017
	7745195	04/01/2025
	8034493	11/18/2025

Our Parent Company intends to renew the registrations at the end of the initial registration period, and intends to file all appropriate affidavits of continued use when required.

In addition to the Marks in the table immediately above our Parent Company has filed applications for the following marks with the USPTO:

Mark	Filing Date	Serial Number and Class	Status
BIRDCALL	6/27/2024	98/622,770 IC 035	Pending

We have entered into a license agreement with Parent Company dated July 1, 2024, under which we have a 10-year license to use, and license third parties to use, the Marks, with automatic renewals of 10 years. We will provide you guidelines for the use of the Marks. You must follow our guidelines and rules when you use the Marks. You cannot use the Marks in any manner not authorized by us or in any corporate or legal name. You cannot use any other trade names, service marks, or trademarks in conjunction with the Franchised Restaurant.

The Franchise Agreement does not contain any provisions under which we are required to defend or indemnify you against any claims of infringement or unfair competition arising out of your use of the Marks. The Franchise Agreement does require that you notify us promptly of any unauthorized use of the Marks and any challenge by any person or entity to the validity of, our ownership of, or our right to use, any of the Marks. We have the right, but not the obligation, to initiate, direct, and control any litigation or administrative proceedings relating to the Marks, including any settlement. You must sign all documents and provide any other assistance we believe is necessary for the defense or prosecution of any such litigation or proceeding. You may not, directly or indirectly, contest, or aid in contesting, the validity, or our ownership, of the Marks.

ITEM 14
PATENTS, COPYRIGHTS, AND PROPRIETARY INFORMATION

We do not own any registered patents or copyrights, nor do we have any pending patent applications, that are material to your Franchised Restaurant or the System; however, we claim copyright protection in the Manual and certain forms, architectural engineering and construction plans, advertising materials, product specifications, computer programs, newsletters, training materials, and operations and accounting materials. We have not registered those materials with the United States Registrar of Copyrights.

The Manual and these other materials contain our detailed standards, specifications, instructions, forms, reports, and procedures for the management and operation of the Franchised Restaurant. You must treat the Manual, training materials, and any other manuals or materials created or approved by us for use with the System as secret and confidential. You may not copy, duplicate, or otherwise reproduce the Manual or other materials provided by us. In addition, you may not make any confidential information or materials supplied by us available to any unauthorized person without our prior written consent.

You may not communicate, divulge, or use for any purpose other than the operation of the Franchised Restaurant any confidential information, knowledge, trade secrets, or know-how that may be communicated to you or that you may learn by virtue of the Franchise Agreement or the operation of the Franchised Restaurant. You may divulge confidential information only to your professional advisers, your employees who must have access to the information to develop or operate the Franchised Restaurant, your contractors, and your landlord, provided that you obtain our prior consent. All information, knowledge and know-how relating to us, our business plans, or the System are deemed confidential, except information that you can demonstrate came to your attention by lawful means prior to our disclosure, or that, at the time of our disclosure to you, had become a part of the public domain. At our request, you must require your employees and any other person or entity to whom you wish to disclose any confidential information to sign agreements providing that they will maintain the confidentiality of the disclosed information. The agreements must be in a form satisfactory to us and must identify us as a third-party beneficiary with the independent right to enforce the agreements.

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

You are not obligated to participate personally in the day-to-day operation of the Franchised Restaurant, but we recommend that you do so. Each Franchised Restaurant must, however, at all times, be under the personal, on-premises supervision of one of the following designated individuals, who must meet our applicable training qualifications for their position: the Operating Principal and the manager.

If you are a business entity, you must appoint an individual to serve as your Operating Principal. The Operating Principal must **(a)** be accepted by us; **(b)** be a 10% Owner (as defined below) and, as such, must personally guarantee the performance of your obligations under the Development and Franchise Agreements and agree to be personally bound by the covenants and indemnification obligations set forth in those agreements; **(c)** live within a reasonable driving distance of the Franchised Restaurant; and **(d)** devote full-time and best efforts to supervising the development and operation of the Franchised Restaurant. The Operating Principal must complete the ITP, have authority over all business decisions related to the Franchised Restaurant and have the authority to bind you in your dealings with us. We will provide all services to, and communicate primarily with, the Operating Principal. You must obtain our prior written consent before you change the Operating Principal. If the Operating Principal no longer qualifies as such, you must designate another qualified person to act as the Operating Principal within 30 days after the date the prior Operating Principal ceases to be qualified. We will advise you whether we have consented to the new Operating Principal within a reasonable time after receipt of your notice. If we do not consent, you will have 15 days from your receipt of our decision to designate another person to act as Operating Principal who satisfies the preceding qualifications.

The Operating Principal must remain active in overseeing the operations of the Franchised Restaurant, including without limitation, regular, periodic visits to the Franchised Restaurant and sufficient communications with us to ensure that the Franchised Restaurant's operations comply with the operating standards as detailed by us from time to time in the Manual or otherwise in written or oral communications.

If you are a business entity, all direct or indirect holders of an equity interest in you of 10% or more ("10% Owners") must jointly and severally guarantee your payment and performance of your obligations under the Development and Franchise Agreements and must bind themselves to the terms of those agreements by executing the guarantee attached thereto.

At our request, you will require your employees (including your managerial personnel) to sign agreements, which may be provided by us, under which they agree to maintain the confidentiality of information disclosed by us.

ITEM 16
RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

You must use the Franchised Location solely for the operation of the Franchised Restaurant and maintain sufficient inventories, adequately staff each shift with qualified employees and continuously operate the Franchised Restaurant at its maximum capacity and efficiency for the minimum number of days and hours set forth in the Manual or as we otherwise specify in writing (subject to the requirements of local laws and licensing requirements). You may offer for sale and sell in the Franchised Restaurant only the products and services that we have approved in the Manual or otherwise in writing. (See Items 8 and 9 for additional information regarding authorized products and services.) We, in our sole discretion, and without limitation, may periodically change the System, including modifications to the Manual, the menu (including authorized products), the required equipment, the signage, the Marks and the Trade Dress. You must accept, use or display in the Franchised Restaurant any such System changes and make such expenditures as the System changes require. We also have the right to vary System standards in particular instances as we deem appropriate in our reasonable judgment. We do not limit the customers to whom you may sell goods or services.

ITEM 17
RENEWAL, TERMINATION, TRANSFER, AND DISPUTE RESOLUTION
THE FRANCHISE RELATIONSHIP

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

THE DEVELOPMENT AGREEMENT

Provision	Section In Development Agreement	Summary
a. Length of the franchise term	Section 1.1	The Development Term begins on the effective date of the Development

Provision	Section In Development Agreement	Summary
		Agreement and terminates on the first to occur of: **(a)** the date that the last Franchised Restaurant is required to be opened pursuant to the Development Schedule; or **(b)** the date that the last Franchised Restaurant required by the Development Schedule opens for business.
b. Renewal or extension of the term	Not Applicable	
c. Requirements for you to renew or extend	Not Applicable	
d. Termination by you	Not Applicable	
e. Termination by us without cause	Not Applicable	
f. Termination by us with cause	Section 12.1	We may terminate upon default.
g. "Cause" defined - curable defaults	Section 12.2	You have 30 days (10 days for any monetary default) to cure defaults other than those discussed in Sections 12.1, 12.2.2 and 12.2.3 of the Development Agreement.
h. "Cause" defined - non-curable defaults	Sections 12.1.1 - 12.1.11 and 12.2.3	Non-curable defaults include: failure to comply with the Development Schedule (including failure to meet Site Acceptance Dates or Opening Dates); sign a lease for a Franchised Location or commencement of construction before you sign the Franchise Agreement for that location; insolvency; bankruptcy; execution levied against your business or property; material breach of Section 11 (Covenants); transfer without approval; material misrepresentation; falsification of reports; conviction or no contest plea to a crime likely to harm the System or our goodwill; default beyond cure period under any agreement with us or our affiliates (including, but not limited to, any Franchise Agreement), real estate lease, equipment lease or financing instrument relating to a Franchised Restaurant or any agreement with any vendor or supplier to a Franchised Restaurant, provided that, if default is not by you, you are given written notice and 10 days to cure; receipt of 2 or more notices of default within any 12-month period; and, with respect to any Franchised Restaurant developed under the Development Agreement, an entity that is not a party to the applicable Franchise Agreement is actually operating the Franchised Restaurant without our prior written consent. Termination of the

Provision	Section In Development Agreement	Summary
		Development Agreement for failure to meet the Development Schedule will not result in termination of any Franchise Agreement.
i. Your obligations on termination/non-renewal	Section 12.4	Obligations include, but are not limited to: loss of right to develop; termination of limited exclusive rights in Development Area; return of materials to us; continued observance of covenants; payment of amounts due to us and our affiliates; and forfeiture of Development Fee.
j. Assignment of contract by us	Section 8	There are no restrictions on our right to assign.
k. "Transfer" by you-defined	Section 9	Includes sale, assignment, transfer, conveyance, merger, give away, pledge, mortgage or other encumbrance of any interest in the Development Agreement, any direct or indirect ownership interest in you (if you are a business entity) or substantially all of your assets pertaining to your operations under the Development Agreement.
l. Our approval of transfer by you	Section 9	Generally, if you propose to undertake a Transfer, you must obtain our prior written consent. The decision as to whether to consent to a Transfer will be made in the exercise of our business judgment, but our consent will not be unreasonably withheld.
m. Conditions for our approval of transfer	Sections 9.3, 9.4, 9.5	Except as provided below, if you propose to undertake a Transfer, the conditions for our consent include: compliance with the Development Agreement and any other agreement with us, our affiliates, any lenders that have provided financing to you and your major suppliers; if applicable, payment of a transfer fee (see Item 6); simultaneous transfer of same interest with respect to all agreements with us in Development Area; qualified transferee; sign assignment agreement and any other agreements that we require to reflect the transfer; sign, at our option, any amendments to the Development Agreement and/or our then-current standard form of development agreement for a term ending on the expiration date of the Development Agreement; sign general release; sign guarantee; your affiliates' compliance with any Birdcall Restaurants Development or Franchise Agreement to which they are a party and with any agreement with lenders that have provided financing pursuant to an arrangement with us; and reasonable sales price.

Provision	Section In Development Agreement	Summary
		If you propose to admit a new owner having less than a 10% ownership interest, remove an existing owner or change the distribution of ownership, conditions include: provide notice; submit copies of all proposed contracts and other information that we request; pay applicable transfer fee (see Item 6); compliance with Development Agreement and any other agreement with us, our affiliate, any lenders that have provided financing pursuant to an arrangement with us and your major suppliers; sign general release; and if applicable, sign guarantee; and comply with governing documents requirements.
n. Our right of first refusal to acquire your business	Section 9.9	We have the right, exercisable within 30 days after we receive your notice of transfer, to send written notice to you that we intend to purchase the interest or assets proposed to be transferred. Our right of first refusal will not apply to transfers for convenience of ownership or transfers to your spouse or adult son or daughter as a result of death or permanent incapacity, provided that the transferee meets all criteria required for new franchisees.
o. Our option to purchase your business	Not Applicable	
p. Your death or disability	Section 9.6	If the Transfer is a transfer of direct or indirect ownership interests in you after the death or permanent incapacity of an owner, that person's executor, administrator or personal representative must apply to us within 3 months for consent to transfer the person's interest. All conditions of transfer apply (see m. above). If the interest is not disposed of within 6 months after the event, we may terminate the Development Agreement.
q. Non-competition covenants during the development term	Section 11.2	No interest in any Competitive Business. "Competitive Business" means any business, store, restaurant or location: **(1)** whose sales of Chicken products, are reasonably likely to account for 10% or more of the food sales of the business in any calendar month; and/or **(2)** whose trade dress is similar to that used in the System. "Competitive Business" does not, however, include those businesses in which any of your owners or you have a direct or indirect, legal or beneficial interest and: **(a)** that had been in operation prior to the date of the first franchise-related agreement between you

Provision	Section In Development Agreement	Summary
		and us; or **(b)** that your owners or you had contracted to develop prior to the date of the first franchise-related agreement between you and us, provided those businesses are listed in Exhibit A to the Development Agreement. In addition, you may not divert any business or customer to any Competitive Business.
r. Non-competition covenants after the franchise is terminated or expires	Section 11.3	For 2 years following the expiration, termination or transfer of the Development Agreement, no interest in any Competitive Business that is located in the Development Area, within 10 miles of the border of the Development Area or within 10 miles of any other Birdcall Restaurant. In addition, you may not, for 2 years after expiration, termination or transfer of the Development Agreement, sell, assign, lease or transfer a site that we have accepted to any person or entity that intends to operate a Competitive Business at a site we accepted.
s. Modification of the agreement	Section 17	No modification generally without signed agreement, but we may modify the System.
t. Integration/merger clause	Section 17	Only the terms of the Development Agreement, the documents referred to therein and the Manual are binding (subject to state law). Any other oral or written promises related to the subject matter of the Development Agreement may not be enforceable. This is not intended to disclaim any representation made in this disclosure document.
u. Dispute resolution by arbitration or mediation	Not Applicable	
v. Choice of forum	Section 19.2	You must file suit where our principal offices are located and we must file suit in the jurisdiction where our principal offices are located, where you reside or do business, where the Development Area or any Franchised Restaurant is or was located or where the claim arose.
w. Choice of law	Section 19.1	Colorado law applies, however, if any provision of the Agreement would not be enforceable under the laws of Colorado and the Development Area is located outside of Colorado, then that provision will be interpreted and construed under the laws of the state in which the Development Area is located.

THE FRANCHISE AGREEMENT

Provision		Section in Agreement	Summary
a.	Length of the franchise term	Section 2.1	10 years
b.	Renewal or extension of the term	Section 2.2	You will have the option to obtain one successor franchise term, which will be for a period of 10 years, unless we decide to stop franchising the Birdcall Restaurant concept or we decide to withdraw the Birdcall Restaurants concept from the geographical market in which the Franchised Restaurant is located.
c.	Requirements for you to renew or extend	Section 2.2	Conditions include: providing timely notice; substantial compliance with expiring franchise agreement; not be in default under any agreement with us or our affiliates; not be in default beyond the applicable cure period under any real estate lease, equipment lease, or financing instrument relating to the Franchised Restaurant or any agreement with any vendor or supplier to the Franchised Restaurant; have the right to continue operating at the Franchised Restaurant for the full term of the successor franchise agreement; renovate and modernize the Franchised Restaurant to reflect the then-current image of Birdcall Restaurants; sign a general release; complete any additional training that we require; and pay a renewal fee.
d.	Termination by you	Not applicable	Not applicable.
e.	Termination by us without cause	Not applicable	Not applicable.
f.	Termination by us with cause	Section 19	We can terminate upon default.
g.	"Cause" defined - defaults which can be cured	Section 19.2	You have 30 days (10 days for any monetary default) to cure defaults other than those discussed in Section 19.1 and 19.2.2 of the Franchise Agreement.
h.	"Cause" defined - defaults which cannot be cured	Section 19.1	Non-curable defaults include: failure to complete the ITP; failure to open the Franchised Restaurant by the Opening Date; insolvency; bankruptcy; execution levied against your business or property; foreclosure; material breach of covenants; material misrepresentation; conviction or no contest plea to a crime that is likely to harm the System's reputation or our goodwill; transfer without obtaining our prior written consent; default beyond the applicable cure period under any agreement with us or our affiliates, any real estate lease, equipment

Provision	Section in Agreement	Summary
		lease, or financing instrument relating to the Franchised Restaurant or any agreement with any vendor or supplier to the Franchised Restaurant, provided that, if the default is not by you, you are given written notice and 10 days to cure; refuse to permit audit; conditions that seriously jeopardize public health or safety; loss of right to operate at the Franchised Location and, if applicable, failure to secure our acceptance of another site within required time period; failure to operate the Franchised Restaurant for 3 or more consecutive days, or 5 total days; receipt of 2 or more notices of default within any 12 month period; and an entity that is not a party to the Franchise Agreement is actually operating the Franchised Restaurant without our prior written consent.
i. Your obligations on termination/ nonrenewal	Section 20	Obligations include: immediately cease to operate the Franchised Restaurant and refrain from holding yourself out as a present or former franchisee of the System; cease to use the System, the Marks, and the Manual; pay all sums due to us, our affiliates, and your suppliers; cease to use in any manner the confidential methods, procedures, and techniques associated with the System; continue to abide by the covenants; cease to use the Marks and all other distinctive signs and names associated with the System; cancel any assumed name or equivalent registration and any domain name registration containing the Marks; pay lost revenue damages; complete de-identification (if we do not exercise our option to purchase); deliver to us all hard copies, and delete all electronic copies, of the Manual and all training materials, marketing materials, records, files, instructions, and correspondence containing confidential information; deliver to us all customer information you have compiled and uninstall any software that we have provided; assign all Listings (as defined in the Franchise Agreement) associated with the Marks or the Franchised Restaurant, if we so elect.
j. Assignment of Agreement by us	Section 15	There are no limits on our right to assign the Franchise Agreement.

Provision	Section in Agreement	Summary
k. "Transfer" by you definition	Section 16.1	Includes sale, assignment, transfer, merger, conveyance, give away, pledge, mortgage, or other encumbrance of any interest in the Franchise Agreement, the Franchised Restaurant, the Franchised Location, the lease for the Franchised Restaurant, substantially all of the assets of the Franchised Restaurant, any direct or indirect ownership interests in you (if you are a business entity) or substantially all of your other assets pertaining to your operations under the Franchise Agreement.
l. Our approval of transfer by you	Section 16.2	If you propose to undertake a transfer, you must obtain our prior written consent. The decision as to whether to consent to a transfer will be made in the exercise of our business judgment, but our consent will not be unreasonably withheld.
m. Conditions for our approval of transfer	Section 16.3	Except as provided below, if you propose to undertake a Transfer, the conditions for our approval include: compliance with the Franchise Agreement and any other agreement with us, our affiliates, any lenders that have provided financing pursuant to an arrangement with us, and your major suppliers; if applicable, payment of a transfer fee (see Item 6); simultaneous Transfer of your Development Agreement (if applicable and if still in effect) and any other Franchised Restaurants developed under that Agreement and then-operated by you; submit a copy of all contracts, all other agreements or proposals, and all other information requested by us; qualified transferee; sign assignment agreement and any other agreements that we require to reflect the Transfer; sign, at our option, any amendments to the Franchise Agreement that we require and/or our then-current standard form of franchise agreement for a term ending on the expiration date of the Franchise Agreement; modernize and upgrade the Franchised Restaurant; sign general release; reasonable sales price and other proposed terms; your affiliates' compliance with any Birdcall Restaurants Development or Franchise Agreement to which they are a party and with any agreement with lenders that have provided financing pursuant to an arrangement with us; and execute guarantee. In addition, transferee and those of transferee's employees whom we designated must complete the ITP.

Provision	Section in Agreement	Summary
		If you propose to admit a new owner having less than a 10% ownership interest, remove an existing owner or change the distribution of ownership interests, conditions include: provide notice; submit copies of all proposed contracts and other information that we request; pay transfer fee (see Item 6); compliance with Franchise Agreement and any other agreement with us, our affiliate, any lenders that have provided financing pursuant to an arrangement with us and your major suppliers; sign assignment agreement and any other agreements we require to reflect the Transfer; sign, at our option, any amendments to the Franchise Agreement that we require and/or our then current standard form of franchise agreement for a term ending on the expiration date of the Franchise Agreement; sign general release; and comply with governing documents requirement.
n. Our right of first refusal to acquire your business	Section 16.9	We have the right, exercisable within 30 days after we receive your notice of transfer, to send written notice to you that we intend to purchase the interest or assets proposed to be transferred. Our right of first refusal will not apply to transfers to your spouse or adult son or daughter, provided that the transferee meets all criteria for new franchisees.
o. Our option to purchase your business	Section 16.9	We have the right, exercisable within 30 days after the later of the effective date of termination or expiration or the date you cease operating the Franchised Restaurant, to purchase some or all of the assets used in the Franchised Restaurant. We have the unrestricted right to assign this option to purchase your business. The purchase prices of the assets will be their fair market value determined as of the effective date of termination or agreement expiration in a manner that accounts for reasonable depreciation and condition of the assets. We may exclude from the assets purchased any equipment, vehicles, furnishings, fixtures, signs, and inventory that do not meet our then-current standards.
p. Your death or disability	Section 16.6	If the transfer is a transfer of direct or indirect ownership interests in you after the death or permanent incapacity of an owner, that person's executor, administrator, or personal representative must apply to us within 3 months for consent to transfer the person's interest. All conditions of transfer

Provision	Section in Agreement	Summary
		apply (see m. above). If the interest is not disposed of within 6 months after the date of death or appointment of a personal representative, we may terminate the Franchise Agreement.
q. Non-competition covenants during the term of the franchise	Section 18.2	No interest in any Competitive Business. "Competitive Business" means any business, store, restaurant or location whose sales of Chicken and are reasonably likely to account for 20% or more of the food sales of the business in any calendar month. "Competitive Business" does not, however include those businesses in which any of your owners or you have a direct or indirect, legal or beneficial interest and: **(1)** that had been in operation prior to the date of the first franchise-related agreement between you and us; or **(2)** that your owners or you had contracted to develop prior to the date of the first franchise-related agreement between you and us, provided those businesses are listed in Exhibit A to the Franchise Agreement. In addition, you may not divert any business or customer to any Competitive Business.
r. Non-competition covenants after the franchise is terminated or expires	Section 18.3	For 2 years following the expiration, termination or transfer of the Franchise Agreement, no interest in any Competitive Business that is located within 10 miles of the Franchised Location or within 10 miles of any other Birdcall Restaurant. In addition, you may not, for 2 years after expiration, termination, or transfer of the Franchise Agreement, sell, assign, lease, or transfer the Franchised Location to any person or entity that intends to operate a Competitive Business at the Franchised Location.
s. Modification of the agreement	Section 26	No modification generally without signed agreement, but we may modify the System.
t. Integration/ merger clause	Section 26	Only the terms of the Franchise Agreement, the documents referred to therein and the Manual are binding. Any other oral or written promises related to the subject matter of the Franchise Agreement may not be enforceable. This is not intended to disclaim any representation made in this disclosure document.
u. Dispute resolution by arbitration or mediation	Not applicable	Not applicable
v. Choice of forum	Section 28.2	You must file suit where our principal offices are located and we must file suit in the

Provision	Section in Agreement	Summary
		jurisdiction where our principal offices are located (currently Colorado), where you reside or do business, where the Protected Area or the Franchised Restaurant is or was located or where the claim arose.
w. Choice of law	Section 28.1	Colorado law applies, however, that if any provision of the Agreement would not be enforceable under the laws of Colorado and the Franchised Restaurant is located outside of Colorado, then that provision will be interpreted and construed under the laws of the state in which the Franchised Restaurant is located.

ITEM 18
PUBLIC FIGURES

We do not use any public figures to promote our franchise or the System at this time.

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-operated 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.

As of our last Fiscal Year end, there were sixteen (16) Birdcall Restaurants operated by our affiliates. The following tables represent the Fiscal Year 2025 performance of the five (5) traditional Birdcall restaurants operated by our affiliate which were considered comparable restaurants (our affiliate's definition of comparable restaurant is having been open continuously for at least two full years prior to the start of the fiscal year). We are excluding the three (3) non-traditional locations (located in Whole Foods), the two (2) licensed concession restaurants (located in arenas/concert venues), and the remaining six (6) traditional locations, all of which were not open for at least two full years prior to the start of the fiscal year. One company-owned Birdcall restaurant closed prior to our 2025 Fiscal Year End. The restaurant that closed was a test location and not of the type offered to prospective or current franchisees.

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Table 1:

Revenue	**Dollar Amount**
High	$2,709,876
Average	$2,294,506
Median	$2,331,108
Low	$1,852,122

NOTES TO TABLE 1

(1) Revenue. Revenue include sales of all food, beverages, merchandise and promotional items, net of sales taxes and discounts (including manager comps, employee meals, and promos).

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

Written substantiation of the financial performance representation will be made available upon reasonable request at 855 Wyandot St., Suite 102, Denver, Colorado 80204.

Other than the preceding financial performance representation, Franchisor does not make any financial performance representation. Franchisor also does not authorize its employees or representatives to make any such representations either orally or in writing. If Franchisee is purchasing an existing outlet, however, Franchisor may provide Franchisee with the actual records of that outlet. If Franchisee receives any other financial performance information or projections of Franchisee's future income, Franchisee should report it to the Franchisor's management by contacting Mark Lohmann at 855 Wyandot St., Suite 102, Denver, Colorado 80204 or telephone (312) 231-2788, the Federal Trade Commission, and the appropriate state regulatory agencies.

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ITEM 20
OUTLETS AND FRANCHISEE INFORMATION

Table No. 1
System wide Outlet Summary
For Fiscal Years 2023 to 2025 (1)

Outlet Type (2)	Year	Outlets at the Start of the Year	Outlets at End of Year	Net Change
Franchised	2023	0	0	0
	2024	0	0	0
	2025	0	0	0
Company-Owned	2023	9	13	4
	2024	13	12	-1
	2025	12	16	4
Total Outlets	2023	9	13	4
	2024	13	12	-1
	2025	12	16	4

NOTES

(1) As mentioned in Item 1, the above units are owned and operated by our affiliate.

Table No. 2
Transfers of Outlets from Franchisees to New Owners
(Other than the Franchisor)
For Fiscal Years 2023 to 2025

State	Year	Number of Transfers
All States	2023	0
	2024	0
	2025	0
Totals	2023	0
	2024	0
	2025	0

Table No. 3
Status of Franchised Outlets
For Fiscal Years 2023 to 2025

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations - Other Reasons	Outlets at End of Year
All States	2023	0	0	0	0	0	0	0
	2024	0	0	0	0	0	0	0
	2025	0	0	0	0	0	0	0
Totals	2023	0	0	0	0	0	0	0
	2024	0	0	0	0	0	0	0
	2025	0	0	0	0	0	0	0

Table No. 4
Status of Company-Owned Outlets
For Fiscal Years 2023 to 2025 (1)

State	Year	Outlets at Start of Year	Outlets Opened	Outlets Reacquired from Franchisee	Outlets Closed	Outlets Sold to Franchisee	Outlets at End of Year
AZ	2023	1	2	0	0	0	3
	2024	3	0	0	0	0	3
	2025	3	0	0	1	0	2
CO	2023	8	0	0	0	0	8
	2024	8	0	0	0	0	8
	2025	8	4	0	0	0	12
TX	2023	0	2	0	0	0	2
	2024	2	1	0	2	0	1
	2025	1	1	0	0	0	2
Totals	2023	9	4	0	0	0	13
	2024	13	1	0	2	0	12
	2025	12	5	0	1	0	16

NOTES

(1) As mentioned in Item 1, the Company-Owned Restaurants identified in this Table 4 is owned and operated by our affiliate.

Table No. 5
Projected Openings As of December 28, 2025

State	Franchise Agreement Signed But Outlet Not Open	Projected New Franchised Outlets in Next Fiscal Year	Projected New Company owned Outlets in Next Fiscal Year
AZ	0	0	0
CO	2	2	2
ID	1	1	0
MS	1	1	0
TX	0	0	0
Totals	4	3	2

ITEM 21
FINANCIAL STATEMENTS

Attached to this disclosure document as Exhibit G are our audited financial statements dated December 28, 2025, and December 29, 2024, as well as our opening balance sheet as of May 24, 2024. As stated in Item 1, we were formed on May 24, 2024. Since we have been in business less than one year, we cannot provide financial statements for the prior fiscal year.

Our fiscal year closes on the last Sunday of the calendar year, which was December 28, 2025, and December 29, 2024.

ITEM 22
CONTRACTS

The following contracts are attached to this disclosure document:

Exhibit B	Franchise Agreement

Exhibit C	Development Agreement

Exhibit D	Confidentiality Agreement

ITEM 23
RECEIPTS

The last two pages of this disclosure document are detachable receipt pages. Please sign and date each of them as of the date you received this disclosure document and return one copy to us.

EXHIBIT A

LIST OF STATE ADMINISTRATORS AND AGENTS FOR SERVICE OF PROCESS

STATE	STATE ADMINISTRATOR	AGENT FOR SERVICE OF PROCESS
CALIFORNIA	California Department of Financial Protection and Innovation One Sansome Street, Suite 600 San Francisco, CA 94104 415-972-8559 1-866-275-2677 www.dfpi.ca.gov ask.dfpi@dfpi.ca.gov	California Department of Financial Protection and Innovation 320 West 4th Street, Suite 750 Los Angeles 90013-2344 213-576-7505 1-866-275-2677 www.dfpi.ca.gov ask.dfpi@dfpi.ca.gov
CONNECTICUT	Securities and Business Investment Division Connecticut Department of Banking 260 Constitution Plaza Hartford, CT 06103 860-240-8230	Connecticut Banking Commissioner Same Address
FLORIDA	Department of Agriculture & Consumer Services Division of Consumer Services Mayo Building, Second Floor Tallahassee, FL 32399-0800 850-245-6000	Same
GEORGIA	Office of Consumer Affairs 2 Martin Luther King Drive, S.E. Plaza Level, East Tower Atlanta, GA 30334 404-656-3790	Same
HAWAII	Department of Commerce and Consumer Affairs Business Registration Division Commissioner of Securities 335 Merchant Street, Room 203 Honolulu, HI 96813 808-586-2722	Commissioner of Securities of the State of Hawaii Dept. of Commerce and Consumer Affairs Securities Compliance Branch 335 Merchant Street, Room 203 Honolulu, HI 96813
ILLINOIS	Franchise Division Office of the Attorney General 500 South Second Street Springfield, IL 62701 217-782-4465	Illinois Attorney General Same Address
INDIANA	Securities Commissioner Indiana Securities Division 302 West Washington Street, Room E 111 Indianapolis, IN 46204 317-232-6681	Indiana Secretary of State 201 State House 200 West Washington Street Indianapolis, IN 46204
IOWA	Iowa Securities Bureau Second Floor Lucas State Office Building Des Moines, IA 50319 515-281-4441	Same

STATE	STATE ADMINISTRATOR	AGENT FOR SERVICE OF PROCESS
KENTUCKY	Kentucky Attorney General's Office Consumer Protection Division 1024 Capitol Center Drive Frankfort, KY 40602 502-696-5389	Same
LOUISIANA	Department of Urban & Community Affairs Consumer Protection Office 301 Main Street, 6th Floor One America Place Baton Rouge, LA 70801 504-342-7013 (gen. info.) 504-342-7900	Same
MAINE	Department of Business Regulations State House - Station 35 Augusta, ME 04333 207-298-3671	Same
MARYLAND	Office of the Attorney General Securities Division 200 St. Paul Place Baltimore, MD 21202 410-576-6360	Maryland Securities Commissioner Same Address
MICHIGAN	Michigan Department of Attorney General Consumer Protection Division Antitrust and Franchise Unit 525 W. Ottawa Street G. Mennen Williams Building, 1st Floor Lansing, MI 48913 517-373-7117	Michigan Department of Commerce Corporations and Securities Bureau Same Address
MINNESOTA	Minnesota Department of Commerce 85 7th Place East, Suite 280 St. Paul, MN 55101 651-539-1600	Minnesota Commissioner of Commerce Same Address
NEBRASKA	Department of Banking and Finance Bureau of Securities/Financial Institutions Division 1526 K Street, Suite 300 Lincoln, NE 68508-2732 P.O. Box 95006 Lincoln, Nebraska 68509-5006 Tele: 402-471-2171	Same

STATE	STATE ADMINISTRATOR	AGENT FOR SERVICE OF PROCESS
NEW HAMPSHIRE	Attorney General Consumer Protection and Antitrust Bureau State House Annex Concord, NH 03301 603-271-3641	Same
NEW YORK	New York State Department of Law Investor Protection Bureau 28 Liberty St. 21st floor New York, NY 10005 212-416-8222	Secretary of State of New York 99 Washington Avenue Albany, New York 12231
NORTH CAROLINA	Secretary of State's Office/Securities Division 2 South Salisbury Street Raleigh, NC 27601 919-733-3924	Secretary of State Secretary of State's Office Same Address
NORTH DAKOTA	North Dakota Insurance & Securities Department 600 East Boulevard Avenue Bismarck, ND 58505-0510 701-328-2910	North Dakota Insurance Commissioner Same Address
OHIO	Attorney General Consumer Fraud & Crime Section State Office Tower 30 East Broad Street, 15th Floor Columbus, OH 43215 614-466-8831 or 800-282-0515	Same
OKLAHOMA	Oklahoma Securities Commission 2915 Lincoln Blvd. Oklahoma City, OK 73105 405-521-2451	Same
OREGON	Department of Insurance and Finance Corporate Securities Section Labor and Industries Building Salem, OR 96310 503-378-4387	Director Department of Insurance and Finance Same Address
RHODE ISLAND	State of Rhode Island Department of Business Regulation 1511 Pontiac Avenue, Bldg. 68-2 Cranston, RI 02920 401-462-9527	Director, Rhode Island Department of Business Regulation Same address

STATE	STATE ADMINISTRATOR	AGENT FOR SERVICE OF PROCESS
SOUTH CAROLINA	Secretary of State P.O. Box 11350 Columbia, SC 29211 803-734-2166	Same
SOUTH DAKOTA	South Dakota Department of Labor and Regulation Division of Securities Regulation 124 S. Euclid Avenue, Suite 104 Pierre, SD 57501 605-773-4823	Director of the South Dakota Division of Securities Regulation Same Address
TEXAS	Secretary of State Statutory Documents Section P.O. Box 12887 Austin, TX 78711-2887 512-475-1769	Same
UTAH	Utah Department of Commerce Consumer Protection Division 160 East 300 South (P.O. Box 45804) Salt Lake City, UT 84145-0804 TELE: 801-530-6601 FAX: 801-530-6001	Same
VIRGINIA	State Corporation Commission Division of Securities and Retail Franchising Tyler Building, 9th Floor 1300 E. Main Street Richmond, VA 23219 804-371-9015	Clerk of the State Corporation Commission Tyler Building, 1st Floor 1300 E. Main Street Richmond, VA 23219 804-371-9733
WASHINGTON	Department of Financial Institutions Securities Division P.O. Box 41200 Olympia, WA 98504-1200 360-902-8762	Director, Dept. of Financial Institutions Securities Division 150 Israel Rd S.W. Tumwater, WA 98501
WISCONSIN	Wisconsin Dept. of Financial Institutions Division of Securities 345 W. Washington Avenue, 4th Floor Madison, WI 53703 608-266-8557	Wisconsin Commissioner of Securities Same Address

LIST OF AGENTS FOR SERVICE

Colorado:

Messner Reeves LLP
1550 Wewatta St., Suite 710
Denver, CO 80202

EXHIBIT B

FRANCHISE AGREEMENT

BIRDCALL FRANCHISE AGREEMENT

Franchisee

Effective Date

Franchised Location

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BIRDCALL FRANCHISE AGREEMENT

This Franchise Agreement ("**Agreement**") is made as of ________________________ ("**Effective Date**") by and between Birdcall Franchising LLC ("**Birdcall**," "**we**" or "**us**"), a Colorado limited liability company with a principal business address at 855 Wyandot Street, Suite 102, Denver, CO 80204 and ______________________________________ ("**Franchisee**," "**you**" or "**your**"), a _____________________ with a principal business address at _______________________ __________________.

RECITALS

We and our affiliates have developed a distinctive format, appearance and set of specifications and operating procedures (collectively, "**System**") relating to the development, establishment and operation of restaurants identified by the Marks (as defined below) that feature 100% all-natural chicken, plus salads and other made-to-order meals ("**Birdcall Restaurants**") for dine-in and take-out service.

The distinguishing characteristics of the System include, but are not limited to, our décor, layout, color schemes and designs (collectively, "**Trade Dress**"); our menu items, recipes and food preparation and service techniques; our standards and specifications for equipment, equipment layouts and interior and exterior accessories; and the accumulated experience reflected in our training program, operating procedures and standards and specifications. We may periodically change, improve, add to and further develop the elements of the System.

The System is identified by means of the "**Birdcall**" name and mark and certain other names, marks, logos, insignias, slogans, emblems, symbols and designs that have been designated, or may in the future be designated, for use with the System (collectively, "**Marks**"). We have the right to use, and permit our franchisees to use, the Marks. We may modify the Marks, including the principal Marks.

You desire to be granted the opportunity, subject to the terms and conditions of this Agreement, to develop and operate a franchised Birdcall Restaurant ("**Franchised Restaurant**") at the location identified on attached Exhibit A ("**Franchised Location**").

You understand and acknowledge the importance of our high and uniform standards of quality, operations and service and the necessity of developing and operating the Franchised Restaurant in strict conformity with this Agreement and our confidential operating manuals ("**Manual**").

We are willing to grant you the opportunity to develop and operate the Franchised Restaurant at the Franchised Location, subject to the terms and conditions of this Agreement.

NOW THEREFORE, the parties agree as follows:

1. Grant of Franchise.

1.1 Grant.

1.1.1 Subject to the terms and conditions of this Agreement, we hereby grant to you the right, and you undertake the obligation, to use the Marks and the System to continuously operate the Franchised Restaurant at the Franchised Location during the term of this Agreement ("**Term**").

1.1.2 You may not use the Marks or the System at any location other than the Franchised Location, except as otherwise provided in Section 1.1.3. You may not relocate the Franchised Restaurant without our prior written consent, which we may withhold in our sole discretion. We have the right to require you to pay a reasonable fee, plus our reasonable expenses incurred in connection with consideration of your relocation request. We also may condition our consent to your relocation request upon, among other things, your payment of an agreed upon minimum Royalty to us during the period in which the Franchised Restaurant is not in operation.

1.1.3 You will, at all times: **(a)** faithfully, honestly and diligently perform your obligations under this Agreement; **(b)** continuously exert your best efforts to promote and enhance the business of the Franchised Restaurant; and **(c)** not engage in any other business or activity that may conflict with your obligations under this Agreement, except the operation of other Birdcall Restaurants or other businesses that you operate and that are franchised by us, our parent, affiliates or subsidiaries. Without our prior written consent, you may not use the Marks or the System or sell our proprietary food and beverage products in any wholesale, e-commerce or other channel of distribution besides the retail operation of the Franchised Restaurant at the Franchised Location, delivery by you or by a third-party delivery or catering service (e.g., Uber Eats, Postmates, Grubhub, ezCater, or DoorDash ("**Third-Party Service**") and off premises special events and catering within the Protected Area (as defined below) as we approve.

1.2 Forms of Agreement. Over time, we may enter into agreements with other franchisees that may contain provisions, conditions and obligations that differ from those contained in this Agreement. The existence of different forms of agreement and the fact that we and other franchisees may have different rights and obligations does not affect our or your duties to comply with the terms of this Agreement.

1.3 Limited Exclusivity. Provided you are in compliance with this Agreement, during the Term, we will not operate, or license others to operate, a Birdcall Restaurant in the geographic area described in Exhibit A ("**Protected Area**"). Notwithstanding this grant of limited exclusivity, during the Term, we may, among other things:

1.3.1 Operate and license others to operate Birdcall Restaurants in the Protected Area that are located in transportation facilities (including airports, train stations, subways, ferry terminals, rail and bus stations and other public transportation facilities); military bases and government offices; sports facilities (including stadiums and arenas); toll road plazas, highway rest areas and travel centers; universities, schools and educational facilities; hospitals and other health care facilities; amusement parks and recreational theme parks; museums; Indian reservations; casinos and other entertainment or tourist facilities; any location in which foodservice is or may be provided by a master concessionaire; and any other similar location we believe, in the exercise of our reasonable judgment, to be a captive market location.

1.3.2 Manufacture, distribute and sell at wholesale or retail, or license others to manufacture, distribute and sell at wholesale or retail, merchandise, products and services, whether or not authorized for sale at Birdcall Restaurants, under the Marks in the Protected Area through any channel of distribution, other than a restaurant.

1.3.3 Operate and license others to operate delivery kitchens devoted to the preparation of products authorized for sale at Birdcall Restaurants (often referred to as ghost, dark or cloud kitchens), which may use the Marks and may deliver to customers regardless of their location.

1.3.4 Merchandise and distribute products identified by any of the Marks to foodservice businesses in the Protected Area (other than Birdcall Restaurants), provided those foodservice businesses are not licensed to use the Marks in connection with their retail sales.

1.3.5 Develop and/or own other franchise systems for the same or similar products and services using trade names and trademarks other than the Marks.

1.3.6 Sell and distribute, or license others to sell and distribute, directly or indirectly, products identified by any of the Marks at special events in the Protected Area.

1.3.7 Purchase, be purchased by, merge or combine with, businesses that directly compete with Birdcall Restaurants.

1.4 Reserved Rights. Section 1.3 does not prohibit us from, among other things: **(a)** operating or licensing others to operate, during the Term, Birdcall Restaurants at any location outside the Protected Area; and **(b)** operating or licensing others to operate, after the Term terminates or expires, Birdcall Restaurants at any location, including the Franchised Location. We reserve to ourselves all rights to use and license the System and the Marks other than those expressly granted under this Agreement.

2. Term; Successor Term.

2.1 Term. The Term begins on the Effective Date and, unless this Agreement is terminated at an earlier date as provided in Section 19, expires at midnight on the day preceding the 10th anniversary of the date the Franchised Restaurant first opened for business. (We may complete and forward to you a notice to memorialize the date the Franchised Restaurant first opened for business.) If, during the Term, you lose the right to possession of the Franchised Location through no action or failure to act on your part (other than the failure to extend the lease for the Franchised Location through the Term), you may relocate the Franchised Restaurant (without paying us any additional initial franchise fee) at your expense, and the Term will not expire if: **(a)** we accept the new location; **(b)** you construct and equip a new Franchised Restaurant at the new location in accordance with our then-current System standards and specifications; **(c)** the Franchised Restaurant is open to the public for business at the new location within 9 months after your loss of possession of the Franchised Location; and **(d)** you reimburse us for all reasonable expenses actually incurred by us in connection with the acceptance of the new location. We may condition our consent to your relocation request upon, among other things, your payment of an agreed upon minimum Royalty to us during the period in which the Franchised Restaurant is not in operation.

2.2 Successor Term. When this Agreement expires, you will have the option to obtain 1 successor franchise term of 10 years, unless: **(a)** we have announced a decision to stop franchising the Birdcall Restaurant concept; or **(b)** we decide to withdraw the Birdcall Restaurant concept from the geographic market in which the Franchised Restaurant is located. You must give us written notice of your desire to exercise your option not more than 12 months, and not less than 9 months, before the end of the then-expiring Term. We may require you to satisfy any or all of the following as a condition of exercising your option for the successor franchise term:

2.2.1 You must execute the standard form of Birdcall franchise agreement that we are then offering to new franchisees (or the standard form that we most recently offered, if we are not then offering franchises) ("**Successor Franchise Agreement**"). The terms of the Successor Franchise Agreement may be substantially different from the terms of this Agreement. We will modify the Successor Franchise Agreement to delete terms inapplicable to the successor term (such as opening deadlines).

2.2.2 During the then-expiring Term, you have substantially complied with this Agreement and the System.

2.2.3 Neither you nor your affiliates may be in default under this Agreement or any other agreements between you or your affiliates and us or our affiliates; you and your affiliates must not be in default beyond the applicable cure period under any real estate lease, equipment lease or financing instrument relating to the Franchised Restaurant; and you must not be in default beyond the applicable cure period with any vendor or supplier to the Franchised Restaurant.

2.2.4 You must have the right to continue operating at the Franchised Location for the full term of the Successor Franchise Agreement.

2.2.5 You must renovate and modernize the Franchised Restaurant to reflect the then-current image of Birdcall Restaurants.

2.2.6 You, all 10% Owners (as defined in Section 14.2) and all guarantors under this Agreement must sign a general release, in a form we prescribe, of any and all claims against us, our affiliates and our and their past, present and future officers, directors, members, managers, shareholders and employees.

2.2.7 You, your Operating Principal (as defined in Section 12.11.3) and those of your employees designated by us must successfully complete (as determined by us in our sole discretion) any additional training that we then require.

2.2.8 You must pay us a successor franchise fee of $15,000.

3. Development Procedures.

This Section 3 will not be applicable if the Franchised Restaurant is being developed pursuant to a Birdcall Development Agreement ("**Development Agreement**"). In addition, Sections 3.1-3.3, 3.4.1 and 3.4.4 will not be applicable if, as of the date of this Agreement, the site for the Franchised Restaurant has been accepted in writing by us.

3.1 Your Responsibility. You must select a site that is located within the general area to which you and we have mutually agreed in writing. Within 180 days after your execution of this Agreement, you must obtain site acceptance from us for the Franchised Restaurant. If we have not accepted a site within this time period, we, at our option, may terminate this Agreement pursuant to Section 19. You assume all cost, liability and expense for locating, obtaining and developing a site for the Franchised Restaurant. You may not make any binding commitments to purchase or lease a site until we have accepted the site in writing.

3.2 Site Selection Assistance. We may provide you with the following site selection assistance: **(a)** our site selection guidelines and, as you may request, a reasonable amount of consultation with respect thereto; and **(b)** an on-site evaluation and you must reimburse us for all travel, living and other expenses incurred by our representatives in connection with our on-site evaluation.

3.3 Site Information and Evaluation. For each proposed site, you must submit to us a site review report consisting of a description of the site, photographs, demographic information, site characteristics (including access and egress points and the amount of road traffic), other restaurant options in the area, and any other information that we may require, including, but not limited to, a letter of intent or other evidence satisfactory to us, which confirms your favorable prospects for obtaining the site. In addition, we may require a site analysis prepared by a third party vendor at your expense. We reserve the right to designate the third party vendor used to prepare the site analysis. We or the third party vendor may conduct an on-site evaluation of the proposed site at your expense before deciding whether to accept the site.

3.4 Site Acceptance.

3.4.1 Within 60 days after our receipt of a complete (as determined by us) site review report, we will review that information, evaluate the proposed site and advise you in writing whether we have accepted the site; however, we have no obligation to review any site review report if you and your affiliates are not in full compliance with all agreements with us and/or our affiliates. If we do not respond within that time period, we will be deemed to have rejected the site. Our acceptance or rejection of a site may be subject to reasonable conditions we determine in our sole discretion.

3.4.2 In order to preserve and enhance the reputation and goodwill of the System and all Birdcall Restaurants and the goodwill of the Marks and the Trade Dress, all Birdcall Restaurants must be properly developed, operated and maintained. Accordingly, we may refuse to accept a site for a proposed Franchised Restaurant unless you demonstrate sufficient financial capabilities, in our sole judgment, applying standards consistent with criteria that we use to establish restaurants in other comparable market areas, to properly develop, operate and maintain the proposed Franchised Restaurant. To that end, you must provide us with those financial statements and other information regarding you and the development and operation of the proposed Franchised Restaurant, including, without limitation, investment and financing plans for the proposed Franchised Restaurant, as we may reasonably require.

3.4.3 Our acceptance of a site does not constitute a representation or warranty of any kind, express or implied, of the site's suitability for a Birdcall Restaurant or any other purpose. Our acceptance indicates only that we believe that the site meets our then-current site selection criteria. Applying criteria that have appeared effective with other sites might not accurately reflect the potential for all sites, and demographic and/or other factors included in or excluded from our criteria could change, altering the potential of a site. The uncertainty and instability of these criteria are beyond our control, and we are not responsible if a site we accept fails to meet your expectations. Your submission of a proposed site for our acceptance is based on your own independent investigation of the site's suitability for a Franchised Restaurant.

3.4.4 Upon our acceptance of a site in accordance with this Section 3, we will identify the Franchised Location on the cover page and in Exhibit A of this Agreement.

4. Lease Provisions. You must obtain our consent to the proposed sublease, lease or purchase contract (collectively, "**Lease**") for the Franchised Location prior to its execution. The Lease must, in form and substance, be satisfactory to us and may not contain any covenants or other obligations that would prevent you from performing your obligations under this Agreement. In addition, the landlord and you must execute our standard Lease Addendum, the current form of which is attached as Exhibit C. The insurance required by Section 12.12 must be in effect when you take possession of the Franchised Location. Our consent to the lease does not constitute a warranty or representation of any kind, express or implied, as to its fairness or suitability or as to your ability to comply with its terms, and we do not assume any liability or responsibility to you or to any third parties due to our consent. You must deliver a copy of the fully signed lease to us within 7 days after its execution. You may not begin construction of the Franchised Restaurant until we have received a copy of the fully-executed lease.

5. Construction of Franchised Restaurant; Opening Date.

5.1 Restaurant Development.

5.1.1 You assume all cost, liability and expense for developing, constructing and equipping the Franchised Restaurant. We may provide you prototypical plans and specifications for a Birdcall Restaurant, which you must adapt, at your cost, to suit the shape and dimensions of the Franchised Location and you must ensure that your proposed plans for the Franchised Restaurant ("**Plans**") comply with all applicable ordinances, building codes and permit requirements, lease requirements and restrictions and the Americans with Disabilities Act. You must use only registered architects, engineers and professional and licensed contractors, each of whom must be approved by us. You must submit the Plans to us and revise the Plans as we require. Once we consent to the Plans, you may not change them unless you again obtain our consent. You may not submit the Plans to your local government agency or begin site preparation or construction before we have notified you, in writing, that we have consented to the Plans. You may not commence construction until you have obtained all required permits and licenses. We have no obligation to visit the Franchised Location during the course of construction, but if we choose to do so, you must (and require your architect, engineer, contractors and subcontractors to) cooperate fully with us and our representatives.

5.1.2 Since you, and not us, will be constructing the Franchised Restaurant, you will track construction on a regular basis. We make no representation or warranty regarding the construction of the Franchised Restaurant or compliance with local laws, ordinances and/or regulations that may be applicable to the Franchised Restaurant, the Plans and construction of the Franchised Restaurant.

5.2 Opening Date.

5.2.1 You must open the Franchised Restaurant for business at the Franchised Location no later than 24 months after we have consented to the proposed site ("**Opening Date**"). By the Opening Date, you must: **(a)** obtain and maintain all required building, utility, sign, health, sanitation, business and other applicable permits and licenses; **(b)** construct all required improvements to the Franchised Location and decorate the exterior and interior of the Franchised Restaurant as required by the Plans to which we have consented; **(c)** purchase or lease and install all specified and required fixtures, equipment, furnishings and signs for the Franchised Restaurant from suppliers designated or consented to by us (which may include us and our affiliates); and **(d)** purchase an opening inventory for the Franchised Restaurant of only authorized products and other materials and supplies.

5.2.2 You must notify us at least 30 days before the anticipated opening date and the date of issuance of the certificate of occupancy. Upon our request, you must submit a copy of the certificate of occupancy to us. You may not open for business without our prior written consent, which will not be granted unless you have satisfied the conditions in Section 5.3; however, our consent will not be unreasonably withheld. If there is a change in the Opening Date not caused by us, you will reimburse us for any costs and expenses we incur due to that delay, including costs for travel, lodging, meals and wages. If you do not open the Franchised Restaurant for business by the Opening Date and we do not extend the deadline, we will have the right to terminate this Agreement under Section 19.1.2.

5.3 Right to Open the Franchised Restaurant. We will not authorize the opening of the Franchised Restaurant unless all of the following conditions have been met:

5.3.1 You are not in material default under this Agreement; you and your affiliates are not in material default of any other agreements with us or our affiliates; you and your affiliates are not in default beyond the applicable cure period under any real estate lease, equipment lease or financing instrument relating to the Franchised Restaurant; and you are not in default beyond the applicable cure period with any vendor or supplier to the Franchised Restaurant.

5.3.2 You, your affiliates and your 10% Owners are current on all obligations due to us.

5.3.3 We are satisfied that the Franchised Restaurant was constructed substantially in accordance with the Plans accepted by us, this Agreement and state and local codes and that you have hired and trained a staff as required by this Agreement and the System.

5.3.4 If the Franchised Location is leased or subleased, we have received a copy of the fully-executed lease or sublease.

5.3.5 You have obtained a certificate of occupancy and all other required building, utility, sign, health, safety, fire department, sanitation and business permits and licenses.

5.3.6 You have certified to us, in writing, that all furnishings, fixtures, equipment, signage, computer terminals, artwork/wall graphics and related equipment, supplies and other items are in place.

5.3.7 You have certified to us, in writing, that all furnishings, fixtures, equipment, signage, computer terminals, artwork/wall graphics and related equipment, supplies, other items and the color scheme in the Franchised Restaurant conform to our specifications.

5.3.8 You (or your Operating Principal) and those of your employees designated by us have attended and successfully completed (as determined by us in our sole discretion) the ITP (as defined in Section 9.1.1).

5.3.9 You have provided us with copies of all insurance policies required by, and in compliance with, Section 12.12 and evidence of payment of premiums as we may reasonably request.

5.3.10 You have provided us a Grand Opening Plan (as defined in Section 8.1) at least 60 days prior to the opening of the Franchised Restaurant.

6. Fees.

6.1 Initial Fees. No later than the date you sign this Agreement, you must pay us an initial franchise fee of $50,000 ("**Initial Franchise Fee**") unless the Franchised Restaurant is being developed pursuant to a Development Agreement, in which case the Initial Franchise Fee is fully earned by us when you sign the Franchise Agreement and is not credited against any other fees to be paid to us. We have no obligation to refund the Initial Franchise Fee in whole or in part. You acknowledge and agree the Initial Franchise Fee is fully earned by us when you sign this Agreement and are non-refundable.

6.1.1 When you sign this Agreement, you will pay us an launch fee of $10,000 ("**Launch Fee**"). The Launch Fee is fully earned by us when you sign the Franchise Agreement and is not credited against any other fees to be paid to us. We have no obligation to refund the Launch Fee in whole or in part for any reason.

6.1.2 You will pay us an initial fee of $10,000 at the time you sign this Agreement for us to procure and configure the technology system that you will be required to use in the Franchised Restaurant. You will pay the cost associated with procuring the hardware and software that make up the technology system required to be used at the Franchised Restaurant.

6.2 Royalty and Other Fees.

6.2.1 In addition to all other amounts that you will pay to us, you must pay to us a nonrefundable royalty fee in an amount equal to 6% of your Fiscal Week Gross Sales, as defined below ("**Royalty**"). As of the Effective Date, each Fiscal Week is a calendar week. We have the right, following written notice to you, to vary the time period that comprises each Fiscal Week. If, due to applicable law, you may not pay a Royalty on alcoholic beverage sales, you will pay us a Royalty on all Gross Sales (except alcoholic beverage sales) in the same dollar amount as would have been paid if alcoholic beverage sales were included.

6.2.2 The term "**Gross Sales**" means all revenue from the sale of all products, including all food and beverage products, all other products or services offered at or from the Franchised Restaurant, and all other income of every kind and nature related to, derived from, or originating from the Franchised Restaurant, including off-premises catering and special events and proceeds of any business interruption insurance policies, whether at retail or wholesale (whether the sales are permitted or not), whether for cash, check, or credit, and regardless of collection in the case of check or credit. Gross Sales also includes 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 Service in connection with delivery or catering services related to your Franchised Restaurant (recognizing that though the Third-Party Service 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 Gross Sales). Gross Sales excludes any customer refunds, employee meals, customer discounts, coupon sales, sales taxes, and other taxes collected from customers by you and actually transmitted to the appropriate taxing authorities.

6.3 Local Advertising Fund. On a monthly basis, you must spend for advertising greater of 1% of the Fiscal Week Gross Sales of the Franchised Restaurant or $1,500 in your local trade area.

6.4 National Brand Fund Fee. While we have not yet established a national brand fund ("**Brand Fund**"), we reserve the right to do so upon a 30-day notice to you. The amount will be a

2% of Fiscal Week gross sales and due before 5:00 pm on the fifth day after the end of each Fiscal Week.

6.5 Technology Fee. You will pay 0.5% of your Fiscal Week gross sales towards a technology fee. The amount will be due before 5:00 pm on the fifth day after the end of each Fiscal Week.

6.6 Sales Reports. By 5:00 p.m. on the day after the end of each Fiscal Week, you must submit to us, in writing, by email, polling by computer or that other form or method as we may designate, the amount of Gross Sales of the Franchised Restaurant during the preceding Fiscal Week and any other data or information as we may require.

6.7 Payment of Fees. You must participate in our electronic funds transfer program, which authorizes us to use a pre-authorized bank draft system. You agree to sign and complete those documents as we may require from time to time to authorize and direct your bank or financial institution to pay and deposit directly to our account. Your Royalty and that portion of the Advertising Fund paid to us and other amounts owed under this Agreement, including any interest charges, must be received by us or credited to our account by pre-authorized bank debit before 5:00 p.m. on the 5th day after the end of each Fiscal Week or at a later point periodically specified by us ("**Due Date**"). You must furnish to us and your bank all authorizations necessary to effect payment by the methods we specify. We reserve the right to modify, at our option, the method by which you must pay the Royalty, Advertising Fund and other amounts owed under this Agreement upon receipt of written notice from us. You may not, under any circumstances, set off, deduct or otherwise withhold any Royalties, Advertising Fund, interest charges or any other monies payable under this Agreement on grounds of our alleged non-performance of any obligations. Following written notice from us, you also must make all payments to our affiliates through our electronic funds transfer program unless otherwise specified.

6.8 Interest and Late Fee. If any payments by you due to us are not received in full by the Due Date, in addition to paying the amount owed, you must pay to us interest on the amount owed from the Due Date until paid at the lesser of the maximum rate permitted for indebtedness of this nature in the state in which the Franchised Restaurant is located or 18% per annum. In addition, a late fee of $100 may be assessed at our discretion on all payments by you due to us and not received by us by the Due Date. Payment of a late fee and/or interest by you on past due obligations is in addition to all other remedies and rights available to us pursuant to this Agreement or under applicable law.

6.9 Partial Payments. No payment by you of a lesser amount than due will be treated as anything other than a partial payment on account, regardless of whether you include an endorsement, statement or accompanying letter to the effect that payment of the lesser amount constitutes full payment. We have sole discretion to apply any payments by you to any past due indebtedness and we have the right to accept payment from any other entity as payment by you without that entity being substituted for you.

6.10 Collection Costs and Expenses. You agree to pay us on demand any and all costs and expenses we incur in enforcing the terms of this Agreement, including costs and commissions due a collection agency, attorneys' fees (including attorneys' fees for in-house counsel employed by us), costs incurred in creating or replicating reports demonstrating Gross Sales of the Franchised Restaurant, court costs, expert witness fees, discovery costs and reasonable attorneys' fees and costs on appeal, together with interest charges on all of the foregoing.

7. Communications, Accounting and Records.

7.1 Recordkeeping. You will keep complete and accurate books, records and accounts in the form and manner prescribed in the Manual. You must preserve all of your books and records in electronic form for at least 7 years from the date of preparation, or longer as required by government regulations, and make them available to us within 5 days after our written request.

7.2 Computer System. You must obtain and install, at your expense, the hardware, software and network connections ("**Computer System**") that we specify from time to time. We reserve the right to specify a vendor or supplier and, if acquired through us, charge you for that hardware, software, support, and other related services ourselves. You agree to: **(a)** maintain on the Computer System only the financial and operating data specified in the Manual; **(b)** transmit data to us in the form and at the times required by the Manual; **(c)** give us unrestricted access to your Computer System at all times (including user IDs and passwords, if necessary) to download and transfer data via internet or other connection as we determine; **(d)** maintain the Computer System in good working order at your own expense; **(e)** replace or upgrade the Computer System as we require (but not more than once every 24 months); **(f)** install high speed Internet and/or communications connections; **(g)** ensure that your employees are adequately trained in the use of the Computer System and our related policies and procedures; **(h)** comply with the Payment Card Industry Data Security Standard ("**PCI DSS**") at all times; **(i)** engage any vendor we designate to ensure the security of your data and compliance with the PCI DSS; and **(j)** use any proprietary software or support service and other proprietary materials that we provide to you in connection with the operation of the Franchised Restaurant and, if we so require, execute a license agreement and pay to us a reasonable license fee for the use of that proprietary software. You may not install any software other than authorized upgrades or make any hardware modifications to the Computer System without our express written consent. You acknowledge that computer designs and functions change periodically and that we may make substantial modifications to our computer specifications or to require installation of entirely different systems during the Term.

7.3 Reports and Financial Statements. You must, at your expense, submit to us, in the form prescribed by us, the following reports for the Franchised Restaurant: **(a)** a monthly profit and loss and balance sheet (both of which may be unaudited) within 20 days after the end of each calendar month; **(b)** a year to date quarterly profit and loss statement and balance sheet (both of which may be unaudited) within 30 days after the end of each fiscal quarter (as defined by us) during each fiscal year (as defined by us); **(c)** a fiscal year profit and loss statement and balance sheet (both of which may be unaudited) within 60 days after the end of each fiscal year (as defined by us). We will have the right, to be exercised in our sole discretion, to require that you provide us profit and loss statements and balance sheets, or other reports and information relating to the Franchised Restaurant at other times that we request. We also reserve the right, in our reasonable discretion, to require that you, at your expense, submit audited financial statements prepared by a certified public accounting firm acceptable to us for any fiscal years. You or your treasurer or chief financial officer must sign each statement and balance sheet, attesting that it is correct and complete and uses accounting principles applied on a consistent basis that accurately and completely reflect your financial condition.

7.4 Audit Rights. During and after the Term, we have the right to inspect, copy and audit your books and records, your federal, state and local tax returns and any other forms, reports, information or data that we may reasonably designate. We will provide you 10 days' written notice before conducting an in-person financial examination or audit. We (or our designees) may conduct the examination or audit at our offices or those of a third party, in which case we may require you to send us your records. If the examination or audit reveals an understatement of Gross Sales, you must immediately pay to us any Royalty, Advertising Fund, Technology Fee or other amounts owed, plus interest (and a late fee at our discretion) as provided in Section 6.6. If an inspection or audit is made necessary by your failure to provide reports or supporting records as required under this Agreement, or to provide those reports or records on a timely basis, or if the audit or inspection reveals an understatement of Gross Sales of greater than 2% for the audit period, you must reimburse us for the full cost of the inspection or audit, including travel, lodging, meals and wages of our representatives and the reasonable charges of any attorneys or independent accountants we use for the inspection or audit and, upon our request, you must thereafter provide us with periodic audited financial statements. The remedies set forth in this Section are in addition to any other remedies and rights available to us under this Agreement or applicable law.

7.5 Ownership of Data. You agree that all data that you collect from customers or others in connection with the Franchised Restaurant, including customer lists, is deemed to be owned by us. You have the right to use the customer data while this Agreement or a Successor Franchise Agreement is in effect, but only in accordance with any privacy policy that we may establish from time to time.

7.6 Data Protection. You agree and undertake that you will:

7.6.1 Comply with the provisions of all applicable laws, regulations and best practices relating to privacy and data protection ("**Data Protection Laws**") in the use and processing of any personal data, including customer contact information (such as name, telephone numbers, e-mail and postal addresses), and transactional information collected by you from customers and prospective customers of the Franchised Restaurant ("**Customer Personal Data**").

7.6.2 Refrain from otherwise modifying, amending or altering the contents of the Customer Personal Data or disclosing or permitting the disclosure of any of the Customer Personal Data to any third party unless required by applicable law or specifically authorized in writing by us.

7.6.3 Implement and maintain throughout the Term appropriate technical and organizational measures to protect Customer Personal Data against an unauthorized or unlawful processing, access or use and/or accidental loss, destruction, damage, alteration or disclosure ("**Data Breach**").

7.6.4 Promptly notify us in writing if you suspect there has been a Data Breach, in which event you will do all such acts and things (at your own expense) as we may require in order to remedy or mitigate the effects of the Data Breach.

7.6.5 Promptly notify us of any complaint, communication or request of which you become aware relating to the Data Protection Laws.

8. Brand Fund and Marketing.

8.1 Grand Opening Plan. You must conduct initial marketing for the Franchised Restaurant in accordance with a grand opening plan in the amount of $50,000 ("**Grand Opening Plan**"). You will begin the grand opening promotion no later than 90 days before the Franchised Restaurant is scheduled to be opened and at least 90 days after the Franchised Restaurant is open. If this Agreement is for your second or subsequent Franchised Restaurant, the Grand Opening amount is $25,000, subject to changes as set forth in the Manual.

8.2 Contributions/Expenditures. During the Term, you will have a Fiscal Week Advertising Fund as set forth in Exhibit A. Following written notice to you, we may modify the amount and allocation of the Advertising Fund, subject to the provisions of Section 8.7. The portion of the

Advertising Fund allocated to the Brand Fund (as those terms are defined in this Section 8) will be paid at the same time and in the same manner as the Royalty.

8.3 Brand Fund.

8.3.1 We have the right, in our sole discretion, to establish a Birdcall advertising fund ("**Brand Fund**"). If we establish a Brand Fund, you must contribute to the Brand Fund the amount set forth in Exhibit A, as subsequently modified by us. We may use the Brand Fund contributions and any earnings of the Brand Fund for any costs associated with advertising, marketing, public relations, promotional programs and materials (which may be national or regional in scope) and/or any other activities that we believe would benefit the System, including the following: advertising campaigns in various media; point-of-purchase materials; review of locally-produced ads; free standing inserts; brochures; purchasing and/or developing promotional materials; market research, including secret shoppers; sponsorships; design and maintenance of a web site; celebrity endorsements; trade shows; association dues; search engine optimization costs; social media communications; establishment of a third party facility for customizing local advertising; accounting costs; and holding an annual franchise convention. We will not use the Brand Fund for any activity whose sole purpose is the marketing of franchises; however, you acknowledge that our web site, public relations activities, social media communications, community involvement activities and other activities that may be supported by the Brand Fund may contain information about franchising opportunities. We have the right to direct all programs supported by the Brand Fund, with final discretion over creative concepts, the materials and media used in the programs and their placement. We do not guarantee that you will benefit from the Brand Fund in proportion to your contributions to the Brand Fund. You agree to participate in all advertising, marketing, promotions, research, public relations and other programs instituted by the Brand Fund.

8.3.2 Birdcall Restaurants operated by us and/or our affiliates may contribute to the Brand Fund on the same basis as comparable franchisees.

8.3.3 We will not use any contributions to the Brand Fund to defray any of our general operating expenses, except for reasonable administrative costs and overhead that we incur in activities reasonably related to the administration of the Brand Fund or the management of Brand Fund-supported programs (including salaries of our personnel who devote time to Brand Fund activities). We will separately account for the Brand Fund, but we do not need to segregate Brand Fund monies from our other monies.

8.3.4 Any point-of-sale materials produced with Brand Fund monies will be made available to you at a reasonable cost and the proceeds from those sales will be credited to the Brand Fund. We are not required to have an independent audit of the Brand Fund completed. We may spend in any fiscal year an amount greater or less than the aggregate contribution of all Birdcall Restaurants to the Brand Fund during that year or cause the Brand Fund to invest any surplus for its future use or distribute any surplus to then-current franchisees who contributed to the Brand Fund and restaurants operated by us or our affiliates. (The Brand Fund will reimburse us for any monies advanced by us.) We will make available an unaudited statement of contributions and expenditures for the Brand Fund no sooner than 90 days after the close of our fiscal year to franchisees who make a written request for a copy.

8.3.5 We may terminate and subsequently restart the Brand Fund. On termination, we may spend the remaining monies in accordance with Section 8.3.1 or return the monies to the restaurants that contributed to the Brand Fund on a pro rata basis.

8.4 Local Marketing.

8.4.1 You will spend, at a minimum, the greater of 1% of Fiscal Week Gross Sales or $1,500 per four week period for local marketing in authorized advertising media and for authorized advertising expenditures each Fiscal Month (as defined by us). We or our designee periodically will advise you of the authorized advertising media and authorized advertising expenditures.

8.4.2 You agree to conduct all marketing in a dignified manner and in accordance with the standards and requirements we specify periodically. You agree that all advertising and promotional materials must bear the Marks in the form, color, location and manner that we prescribe. We will have the final decision on all creative development of advertising and promotional messages. You also agree that we own all advertising and promotional materials developed by you, and you will take all actions we specify to vest ownership in us.

8.4.3 You must submit to us in writing for our prior acceptance all sales promotion materials and advertising that have not been prepared, or previously accepted, by us and identify the proposed media in which you propose to place the advertising. If our written consent to the material and its proposed placement is not received within 10 days after the date that we received the material, the material may not be used. In no event will your advertising or marketing materials contain any statement or material that, in our sole discretion, may be considered: **(a)** in bad taste or offensive to the public or to any group of persons; **(b)** defamatory of any person or an attack on any competitor; **(c)** to infringe upon the use, without permission, of any other persons' trade name, trademark, service mark or identification; **(d)** inconsistent with the public image of the System or the Marks; or **(e)** not in accordance with any federal or state law. At your cost, we reserve the right to require you to discontinue the use of any advertising or marketing materials.

8.5 Required Listings and Advertising. We may require that you list and advertise with us and other franchisees on electronic yellow pages directories and other on-line directories as we may designate. We reserve the right to place, and subsequently modify or remove, those on-line listings and advertisements on your behalf. Unless we choose to pay for these listings and advertisements from the Brand Fund, you will pay your pro rata share of the cost.

8.6 Changes in the Advertising Fund. We have the right, following written notice to you, to reallocate the Advertising Fund and to increase the Advertising Fund to the cap set forth in Section 6.3.

8.7 Point of Sale Materials. If we develop any point-of-sale materials (other than through the use of Brand Fund monies), we may offer to sell those to you at our cost.

8.8 Social Media. You agree not to promote, offer or sell any products or services relating to the Franchised Restaurant through, or use any of the Marks in, any form of electronic communications, including Internet web sites, social networking sites, applications or other future technological avenues that enable users to create and share content or to participate in social networking (collectively, "**Social Media**"), without our prior written consent, which we may withhold for any or no reason. You must, at all times, comply with our Social Media policy, as modified periodically. You expressly acknowledge and agree that your use of any Social Media relating to the Franchised Restaurant is subject to our prior written approval. Unless approved by us, you may not establish an independent site or page on any Social Media. If we authorize you to have and/or design a site or a page on any Social Media for the Franchised Restaurant, your site and page may only be accessed from our site or page, and we may prohibit links between your site or page and any other site, unless we otherwise advise you. You acknowledge that any use of Social Media by you with respect to the Franchised Restaurant constitutes advertising and promotion subject to this

Section 8, and you agree to comply with any additional policies and standards we issue from time to time with respect to Social Media. You acknowledge that any copyright in your sites or pages on any Social Media will be deemed to be owned by us, and you agree to sign any documents that we reasonably deem necessary to affirm our ownership of the copyright. If necessary, you must ensure cooperation with us by any web site service provider or web site hosting company with which you do business. You represent that you have or will have the lawful right to use any proprietary materials of others that appear on your sites or pages on Social Media. We periodically may provide to you content for your sites and pages on Social Media, including copy, news stories and photographs. We must consent to any changes to your sites and pages on Social Media.

8.9 Public and Media Relations. You agree that you will not issue any press or other media releases or other communications without our prior consent. As a franchisee of the System, you agree to only participate in internal and external communications activities that create goodwill, enhance our public image and build the Birdcall brand.

9. Training.

9.1 Initial Training Program.

9.1.1 Before the Franchised Restaurant opens for business, you (or your Operating Principal) and your manager (collectively, "**Trained Personnel**") must attend, and become certified in, the Initial Training Program ("**ITP**"). We will provide the ITP at a Birdcall Restaurant operated by us or our affiliates, at our designated training facilities and/or online. We will not authorize the Franchised Restaurant to open until those employees whom we designate have attended and successfully completed (as determined by us in our sole discretion) the ITP.

9.1.2 Upon our request, as a prerequisite to the ITP, attendees must successfully complete (as determined by us in our sole discretion), at your cost, a ServSafe food safety training and certification program currently administered by the National Restaurant Association Educational Foundation.

9.1.3 You must pay all salaries, benefits, travel, living and other expenses incurred by the Trained Personnel while attending the training. We have the right to dismiss from the ITP any person whom we believe will not perform acceptably in the position for which he/she has been hired, and you must provide a suitable replacement within 30 days of dismissal. In that event, we have no obligation to extend the Opening Date. Additional employees who desire to attend the ITP may do so, subject to space availability and your payment of a training fee as determined by us.

9.1.4 If any of your Trained Personnel fail to complete the ITP to our satisfaction, we may terminate this Agreement pursuant to Section 19.1.1 or permit the applicable Trained Personnel to repeat the ITP at the next available scheduled training session; however, we will have no obligation to extend the Opening Date. We may charge a fee as determined by us if any Trained Personnel are required to repeat the ITP.

9.2 Ongoing Training; Training of Replacement Personnel.

9.2.1 We may require you and your Trained Personnel to attend and complete satisfactorily various training courses that we periodically choose to provide at the times and locations that we designate, as well as periodic conventions, regional meetings, and conferences that we specify. We may charge a fee as determined by us for these courses and meetings. You will be required to pay all salaries, benefits, travel, living and other expenses incurred by you and your employees during all training courses and programs.

9.2.2 We require that, subject to space availability, any replacement Operating Principal and manager satisfactorily complete our training programs within the time period required by the Manual. We may charge a fee for these training programs as determined by us.

9.2.3 You understand and agree that any specific ongoing training or advice we provide does not create an obligation (whether by course of dealing or otherwise) to continue to provide that specific training or advice, all of which we may discontinue and modify from time to time.

9.3 Training Materials and Methods. All training materials that we provide to you remain our property. We have the right to provide training programs in person, on DVD, via the Internet and/or an Intranet, in printed or other electronic format or by other means, as we determine.

10. Additional Services Offered by Us.

10.1 Pre-Opening Assistance. We may provide consultation and advice to you, as we deem appropriate, with regard to construction or renovation and operation of the Franchised Restaurant, building layout, furnishings, fixtures and equipment plans and specifications, employee selection and training, purchasing and inventory control and those other matters that we deem appropriate.

10.2 Opening Assistance. We may, in our sole discretion, provide assistance in opening the Franchised Restaurant and in training your employees as we deem appropriate in light of your needs and the availability of our personnel. If we determine that you require opening assistance for the Franchised Restaurant beyond that which we deem reasonable, we reserve the right to charge you a fee for that additional assistance.

10.3 Post-Opening Assistance. We periodically, as we deem appropriate, will advise and consult with you regarding the operation of the Franchised Restaurant. We, as we believe appropriate, will make available to you information regarding the System and new developments, techniques and improvements in the areas of restaurant design, implementation of technology, operations, management, menu-development, sales and customer service, marketing and other areas. We may provide these services through visits by our representatives to the Franchised Restaurant or your offices (although we are not obligated to make any visits), the distribution of printed or filmed material, an Intranet or other electronic communication, meetings or seminars, training programs, telephone communications or other forms of communications.

11. Manual.

11.1 We will furnish you with one copy of, or provide electronic access to, the Manual, on loan, for as long as this Agreement remains in effect. (As used in this Agreement, the term "**Manual**" also includes all written and electronic correspondence from us regarding the System, other publications, materials, drawings, memoranda, videos, audio recordings, and electronic media that we from time to time may provide to you.) The Manual contains detailed standards, specifications, instructions, forms, reports and procedures for management and operation of the Franchised Restaurant. We reserve the right to furnish all or part of the Manual to you in electronic form or online (including via an Intranet) and establish terms of use for access to any restricted portion of our web site.

11.2 You acknowledge that we own the copyright in the Manual and that all copies of the Manual in your possession remain our property. You agree to treat the Manual, training materials and any other manuals or materials created or authorized by us for use with the System as secret and confidential. You agree not to copy, duplicate, record or otherwise reproduce the Manual or other materials provided by us, in whole or in part. In addition, you agree not to make any confidential information or materials supplied by us available to any unauthorized person without our prior written consent.

11.3 We periodically may amend the Manual by email or other forms of communication. We also reserve the right to replace the entire Manual with an updated version at our sole discretion. You agree to keep your copy of the Manual up-to-date, to acquire all equipment and related services to do so and to comply with each new or changed standard promptly upon receipt of notice from us. If a dispute relating to the contents of the Manual develops, our copy of the Manual maintained at our principal office controls. You agree to operate the Franchised Restaurant at all times in strict conformity with the Manual.

12. Operations.

12.1 Compliance with Standards. In recognition of the mutual benefits that come from maintaining the System's reputation for quality, you agree to comply with all mandatory specifications and procedures set forth periodically in the Manual or otherwise in writing. You acknowledge that the appearance, Trade Dress, services and operation of the Franchised Restaurant are important to us and all Birdcall franchisees.

12.2 System Modifications. We, in our sole discretion, may periodically change the System, including modifications to the Manual, the menu, the required equipment, the signage, the Marks and the Trade Dress. You must accept, use or display in the Franchised Restaurant any such System changes and make those expenditures as the System changes require. We also have the right to vary System standards in particular instances as we deem appropriate in our reasonable judgment.

12.3 Authorized Products and Services. You may offer for sale and sell in the Franchised Restaurant only the products, services and brands that we have designated in the Manual or otherwise in writing. You must offer all items that we designate as mandatory. We may also designate some items as optional. We may change the mandatory and optional menu items, recipes, ingredients and other products and services in our sole discretion. We may require that you sell certain brands and prohibit you from selling other brands. You may sell products only in the varieties, weights, sizes, forms and packages that we have designated. You must use only authorized ingredients and follow our recipes in the preparation of menu items. You may not use the Franchised Location for the sale or display of items not authorized by us.

Within 15 days after we provide written notice to you, you must begin selling any newly authorized menu items (or using any newly authorized ingredients) and cease selling any menu item that is no longer authorized (or using any ingredient that is no longer authorized); however, if we determine in our sole business judgment that the discontinued menu item or ingredient could pose a hazard to the public or prove detrimental to the System, you must cease selling or using that item or ingredient immediately. All food, beverages and merchandise authorized for sale at the Franchised Restaurant must be offered for sale under the name that we specify.

We periodically will provide you suggested retail prices for the products and services offered at the Franchised Restaurant and, to the extent permitted by applicable law, we may require that you adhere to our suggested prices, including maximum prices. If you have a suggestion for a new menu item or ingredient (or for a change to an authorized menu item or ingredient) or you wish to participate in a test market program, you must notify us before you implement any such change or commence any such program. You may not add or modify any menu item or participate in a test market program without first obtaining our prior written approval, which we can withhold for any or no reason.

12.4 Market Research and Testing. We may periodically conduct market research and testing to determine consumer trends and the salability of new food products and services. You must cooperate with us in connection with the conduct of those test marketing programs at your own expense and you must comply with our procedures that we establish from time to time in connection with those programs as set forth in the Manual, including your obligation to keep appropriate records and report their results to us.

12.5 Your Development of System Improvements. If you develop any new concepts, processes, improvements (including new menu items or ingredients) or materials relating to the System or any other developments relating to the System, you must promptly notify us and provide us with all information regarding the new concept, process, improvement, development or material, all of which will become our property and may be incorporated into the System without any payment to you. You, at your expense, promptly must take all actions deemed necessary or desirable by us to vest in us ownership of those concepts, processes or improvements.

12.6 Sourcing of Products and Services.

12.6.1 We have the right to require that all food and non-food products, supplies, equipment and services that you purchase for use, sale or resale in the Franchised Restaurant: **(a)** meet specifications that we establish from time to time; **(b)** be purchased only from suppliers to whom we have consented (which may include us and our affiliates); and/or **(c)** be purchased only from a single source or from a limited number of designated sources (which may include us and our affiliates). To the extent that we establish specifications, require our consent to suppliers or designate specific suppliers for particular items, we will publish our requirements in the Manual or otherwise in writing. We have developed and may continue to develop certain proprietary food products that will be prepared by or for us according to our proprietary special recipes and formulas, and you agree to purchase those food products developed by us pursuant to a special recipe or formula only from us, our affiliates or a third party designated and licensed by us to prepare and sell those products. We may create purchasing restrictions to control the quality and selection, and ensure the consistency, of menu items, ingredients and other merchandise; to consolidate System purchases to reduce costs or ensure availability of products; or for other valid business reasons.

12.6.2 You may not engage in "grey market" activities in which you take advantage of any group purchasing arrangements for Birdcall Restaurants to purchase products that you then resell to purchasers outside of the System or use in a business outside of the System.

12.6.3 We and our affiliates may earn income on sales of products, ingredients and/or supplies to you. If we or our affiliates receive any rebates, commissions or other payments from third-party suppliers based on your purchases from them, we may retain the rebates, commissions or other payments. You agree that we are entitled to that income and consideration.

12.6.4 If you would like to purchase other products or services from a supplier to whom we have not consented, you must submit a written request for consent. We have the right to inspect the proposed supplier's facilities and test samples of the proposed products. You agree to pay to us a reasonable fee, not to exceed the actual cost of the inspection and testing the proposed product or evaluating the proposed supplier, including personnel and travel costs, whether or not the product or supplier is accepted. We have the right to grant, deny or revoke consent to products, services and suppliers in our sole discretion. We will notify you of our decision as soon as practicable following our evaluation. We reserve the right to reinspect the facilities and products of any accepted supplier and revoke acceptance upon the supplier's failure to meet any of our then-current criteria.

12.7 Upkeep of the Franchised Restaurant. You must maintain the interior and exterior of the Franchised Restaurant and all fixtures, furnishings, signs and equipment in first-class condition and in the highest degree of cleanliness, orderliness, sanitation and repair in accordance with the requirements of the System and the Manual and the lease or sublease for the Franchised Location (if applicable). Expenditures in connection with signage (including point of sale, exterior and interior signage) and equipment (including equipment needed to prepare new menu items) are considered a maintenance expenditure (whether for repair or replacement) under this Section rather than a refurbishment expenditure under Section 12.8. There is no limitation on the amount that you may be required to spend for repairs and maintenance. You may not make any alteration, addition, replacement or improvement in, or to, the interior or exterior of the Franchised Restaurant without our prior written consent.

12.8 Refurbishment. In addition to ordinary maintenance and upkeep, we have the right to require you to undertake structural changes, remodeling, refurbishment and renovations and other modifications to the Franchised Restaurant to conform to the design, Trade Dress, color schemes and presentation of the Marks that we are then requiring of new Birdcall Restaurants. You must undertake a refurbishment of the Franchised Restaurant as prescribed by us every 5 years from the prior remodel (or 5 years after the Opening Date if you have not yet refurbished). The first refurbishment is expected to be no less than 2.5% of the current build cost of the Franchised Restaurant, and the second refurbishment is expected to be no less than 10% of the current build cost of the Franchised Restaurant, fluctuating thereafter.

12.9 Maximum Operation of the Franchised Restaurant.

12.9.1 During the Term, you must use the Franchised Location solely for the operation of the Franchised Restaurant and maintain sufficient inventories, adequately staff each shift with qualified employees and continuously operate the Franchised Restaurant at its maximum capacity and efficiency for the minimum number of days and hours set forth in the Manual or as we otherwise specify in writing (subject to the requirements of local laws and licensing requirements).

12.9.2 You must immediately resolve any customer complaints regarding the quality of food or beverages, service and/or cleanliness of the Franchised Restaurant or any similar complaints. When any customer complaints cannot be immediately resolved, you must use your best efforts to resolve the customer complaints as soon as practical and, whenever feasible, give the customer the benefit of the doubt. If we, in our sole discretion, determine that our intervention is necessary or desirable to protect the System or the goodwill associated with the System, or if we, in our sole discretion, believe that you have failed adequately to address or resolve any customer complaints, we may, without your consent, resolve any complaints and charge you an amount sufficient to cover our reasonable costs and expenses in resolving the customer complaints, which amount you must pay to us immediately on demand.

12.10 Employees. You have sole responsibility for all employment decisions and functions related to the Franchised Restaurant, including hiring, firing, compensation, benefits, work hours, work rules, training, recordkeeping, supervision and discipline of employees. You must enforce all dress and appearance standards for employees that we may establish. We may, from time to time, based upon our experience, provide you guidance in human resource matters such as hiring and scheduling. This guidance is provided as a resource only, and you will be entirely free to not adopt our suggestions, in your sole discretion. You must maintain a competent, conscientious, trained staff with enough members to operate the Franchised Restaurant in compliance with our standards. You must verify that your employees meet all state and local requirements for certification and meet all prerequisites for employment in the United States.

12.11 Management Supervision.

12.11.1 The Franchised Restaurant must at all times be under the personal, on-premises supervision of the Operating Principal, a manager or an assistant manager. At all times that the Franchised Restaurant is open for business, at least one person must be on site who has been trained in ServSafe as required by Section 9.1.2 and completed any other locally-required safety or health training.

12.11.2 The Franchised Restaurant must employ 2 managerial personnel each of whom have met our training requirements for their position. Prior to participation in the ITP, you must provide us that information we request regarding your initial (and any subsequent) managerial personnel, each of whom must be accepted by us before they can assume the applicable position and who must devote full-time and best efforts to supervising the operation of the Franchised Restaurant. You must also provide to us, prior to participation in the ITP, that information we request regarding your initial (and all subsequent) managerial personnel, each of whom must be accepted by us before he can assume that position.

12.11.3 You must appoint an individual to serve as your Operating Principal. The Operating Principal: **(a)** must be accepted by us, **(b)** must be a 10% Owner; **(c)** must live within a reasonable driving distance of the Franchised Restaurant, and **(d)** must devote full-time and best efforts to supervising the operation of the Franchised Restaurant and other Birdcall Restaurants that you operate. The Operating Principal must remain active in overseeing the operations of the Franchised Restaurant, including without limitation, regular, periodic visits to the Franchised Restaurant and sufficient communications with us to ensure that the Franchised Restaurant's operations comply with the operating standards as promulgated by us from time to time in the Manual or otherwise in written or oral communications. The Operating Principal as of the Effective Date is identified in Exhibit A. The Operating Principal must complete the ITP, have authority over all business decisions related to the Franchised Restaurant and have the authority to bind you in your dealings with us. We will provide all services to, and communicate primarily with, the Operating Principal.

You must obtain our prior written consent before you change the Operating Principal. If the Operating Principal no longer qualifies, you must designate another qualified person to act as the Operating Principal within 30 days after the date the prior Operating Principal ceases to be qualified. We will advise you whether we have consented to the new Operating Principal within a reasonable time after receipt of your notice. If we do not consent, you will have 15 days from your receipt of our decision to designate another person to act as Operating Principal who satisfies the preceding qualifications.

12.12 Insurance. You must maintain in full force and effect that insurance which you determine to be necessary, which must include at least the types of insurance and the minimum policy limits we specify in the Manual or otherwise in writing. Each insurance policy must be written by an insurance company that maintains an "A+" or better rating by the latest edition of Best's Insurance Rating Service (or another rating service designated by us). The insurance policy or policies must be in effect when you take possession of the Franchised Location. The insurance policy or policies must protect you, us and our respective past, present and future officers, directors, managers, members, owners, employees, representatives, consultants, attorneys and agents. We and any entity with an insurable interest designated by us must be named as additional insureds in the policy or policies (statutory policies excepted). Each policy must include a waiver of subrogation in our favor. We may require additional types of coverage or increase the required minimum amount of coverage upon reasonable notice. Your obligation to obtain coverage is not limited in any way by insurance that we maintain. You must provide us with certificates of insurance evidencing the required coverage and proof of payment therefor no later than the date you sign this Agreement. The evidence of insurance must include a statement by the insurer that the policy or policies will not be canceled or materially altered without at least 30 days' prior written notice to us. If you fail to obtain and maintain insurance coverage as required by this Agreement, we have the right, but not the obligation, to obtain the required insurance on your behalf and to charge you for the cost of the insurance, plus a reasonable fee for our services in procuring the insurance.

12.13 Inspections; Guest Satisfaction. We and our designees have the right, but not the obligation, at any time during normal business hours to: **(a)** conduct inspections of (and photograph and record) the Franchised Location and the Franchised Restaurant; **(b)** interview your employees, suppliers and customers; and **(c)** review your business records, including those maintained electronically or off-premises. We can initiate these actions (collectively, "**QA Audits**") with or without prior notice to you, except that prior notice is required for a financial examination or audit as provided in Section 7.4. You must reimburse us for all costs and expenses incurred in connection with the QA Audits. You must cooperate by giving our representatives unrestricted access and rendering that assistance as they may reasonably request. If we notify you of any deficiencies after a QA Audit, you must promptly take steps to correct them.

You agree to participate in programs initiated to verify customer satisfaction and/or your compliance with all operational and other aspects of the System, including (but not limited to) an 800 number, secret shoppers or other programs as we may require. We will share the results of these programs, as they pertain to the Franchised Restaurant, with you. You will reimburse us for all costs related to the Franchised Restaurant associated with any and all of these programs.

12.14 Taxes.

12.14.1 You must promptly pay when due all taxes levied or assessed (including, without limitation, unemployment and sales taxes) and all accounts and other indebtedness of every kind incurred by you in the operation of the Franchised Restaurant. If any taxes, fees or assessments are imposed on us by reason of our acting as franchisor or licensing the Marks, you must reimburse us the amount of those taxes, fees or assessments within 30 days after receipt of an invoice from us.

12.14.2 In the event of any bona fide dispute as to your liability for taxes assessed or other indebtedness, you may contest the validity or the amount of the tax or indebtedness in accordance with procedures of the taxing authority or applicable law; however, in no event will you permit a tax sale or seizure by levy of execution or similar writ or warrant, or attachment by a creditor, to occur against the Franchised Restaurant and/or the Franchised Location (or any improvements thereon).

12.15 Compliance with Laws and Good Business Practices. You must secure and maintain in force in your name all required licenses, permits and certificates relating to the operation of the Franchised Restaurant. You must operate the Franchised Restaurant in full compliance with all applicable laws, ordinances and regulations, including those governing or relating to the handling of food products, immigration and discrimination, occupational hazards and health insurance, employment laws, including workers' compensation insurance, unemployment insurance and the withholding and payment of federal and state income taxes, social security taxes and sales taxes. You must notify us, in writing, within 5 days after: **(a)** the commencement of any proceeding or the issuance of any decree of any court or government agency that may adversely affect the operation or financial condition of you or the Franchised Restaurant; or **(b)** receiving any notice of violation of any law, ordinance or regulation relating to health or sanitation at the Franchised Restaurant. In your dealings with customers, suppliers and the public, you will adhere to the highest standards of honesty, integrity, fair dealing and ethical conduct and you will refrain from any business or advertising practice that may harm the goodwill associated with the Marks or the System.

12.16 Adoption of Quality and Assurance Programs. You must adopt, at your expense, those customer quality and assurance programs that we specify, including, but not limited to, participation in programs associated with guest satisfaction.

12.17 Non-Cash Payment Systems. You must accept debit cards, credit cards, stored value gift cards or other non-cash payment systems specified by us to enable customers to purchase authorized products and you must obtain all necessary hardware and/or software used in connection with these non-cash payment systems. You will reimburse us for all costs associated with those non-cash payment systems as they pertain to the Franchised Restaurant.

12.18 Amusement Equipment. You will not permit at the Franchised Restaurant any juke box, vending or game machine, gum machine, game, ride, gambling or lottery device, coin or token operated machine, or any other music, film or video device not authorized by us.

12.19 Advisory Board. We may establish a Franchise Advisory Board. If established, you must actively participate in the Advisory Board. The purpose of the Advisory Board will include, but not be limited to, discussing and evaluating strategies, opportunities, accomplishments, challenges, ideas and concerns for the purpose of advancing the interests of the System. If established, the Advisory Board will serve solely in an advisory capacity and will have no authority to modify our policies and we, in our sole discretion, can accept or reject any opinions or recommendations of the Advisory Board. We may require you to pay your pro rata share of the expenses of the Advisory Board and we may dissolve and subsequently restart, the Advisory Board.

13. Marks and Trade Dress.

13.1 Limited Right to Use. Your right to use the Marks and Trade Dress applies only to the Franchised Restaurant operated at the Franchised Location as expressly provided in this Agreement. We will provide you guidelines for the use of the Marks and Trade Dress. Both during and after the Term, you agree not to directly or indirectly contest or aid in contesting the validity of our rights and/or our affiliates' rights in the Marks or take any action detrimental to our rights in the Marks and Trade Dress.

13.2 Acknowledgments. You acknowledge that: **(a)** the Marks are valid and serve to identify our products, services and Birdcall Restaurants; **(b)** your use of the Marks and Trade Dress under this Agreement does not give you any ownership interest in them; and **(c)** all goodwill associated with the Marks and Trade Dress inures exclusively to our benefit and is our property. Upon the expiration or termination of the Term, no monetary amount will be attributable to goodwill associated with your activities as a franchisee under this Agreement.

13.3 Specific Restrictions on Use. You agree: **(a)** to use only the Marks and Trade Dress that we designate, and only in the manner we authorize; **(b)** to use the Marks and Trade Dress only for the operation of the Franchised Restaurant at the Franchised Location and in authorized advertising for the Franchised Restaurant; **(c)** to operate and advertise the Franchised Restaurant only under the name "Birdcall" without prefix or suffix; **(d)** to display the Marks in the Franchised Restaurant, on the Franchised Location, and on brochures and other printed materials, employee uniforms and vehicles only in the manner that we authorize; **(e)** not to use the Marks or any names confusingly similar to the Marks as part of your entity or legal name; **(f)** to permit our representatives to inspect your operations to verify that you are properly using the Marks and Trade Dress; **(g)** to use the Marks to promote and to offer for sale only the products and services that we have authorized, and not use any of the Marks or Trade Dress in association with any other products, materials or services; **(h)** not to use or permit the use of the Marks or any names confusingly similar to the Marks as part of any Internet domain name or email address or in the operation of any Internet web site without our prior written consent; **(i)** not to use the Marks to incur any obligation or indebtedness on our behalf; and **(j)** to ensure that the Marks bear the "®", "™", or "SM" symbol, as we prescribe from time to time.

13.4 Changes to the Marks. We have the absolute right to change, discontinue, or substitute for any of the Marks and to adopt new Marks for use with the System without any liability for any impact to the System. You agree to implement any such change at your own expense, regardless of the reason for, or the cost to you of, the change, within the time that we reasonably specify.

13.5 Third-Party Challenges. You agree to notify us promptly of any unauthorized use of the Marks or Trade Dress that you suspect or 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 Marks or Trade Dress. You acknowledge and agree that we have the right, but not the obligation, to initiate, direct and control any litigation or administrative proceeding relating to the Marks or Trade Dress, including, but not limited to, any settlement. You agree to sign all documents and render any other assistance we may deem necessary to the defense or prosecution of any such proceeding.

14. Your Organization.

14.1 Governing Documents.

14.1.1 If you are or become a business entity, during the Term, your governing documents must provide that your activities are limited exclusively to the development and operation of the Franchised Restaurant and other restaurants operated by you that are franchised by us and that no Transfer (as defined in Section 16) of an ownership interest in you may be made except in accordance with Section 16. Any stock or other ownership certificates that you issue must bear a conspicuous printed legend to that effect.

14.1.2 You represent that you have furnished us with a list of all holders of direct or indirect equity interests in you and their respective percentage interests, as well as copies of your governing documents (and any amendments thereto) and any other corporate documents, books or records that we may request, and that all information is current as of the Effective Date. Your direct and indirect owners and their respective equity interests as of the Effective Date are identified in Exhibit A. You must promptly update this information as changes occur.

14.2 Guarantees. All holders of direct or indirect equity interests in you of 10% or more ("**10% Owners**") must jointly and severally guarantee your payment and performance under this Agreement and must bind themselves to the terms of this Agreement pursuant to the Guarantee and Assumption of Franchisee's Obligations attached as Exhibit B ("**Guarantee**"). Notwithstanding the foregoing, we reserve the right, in our sole discretion, to waive the requirement that some or all of the 10% Owners execute the Guarantee and/or to limit the scope of the Guarantee. We reserve the right to require that any guarantor provide personal financial statements to us from time to time.

You acknowledge that, unless otherwise agreed to in writing by us, it is our intent to have individuals (and not corporations, limited liability companies or other business entities) execute the Guarantee. Accordingly, if any 10% Owner is not an individual, we will have the right to have the Guarantee executed by individuals who have only an indirect ownership interest in you. (By way of example, if a 10% Owner is a corporation, we have the right to require that the Guarantee be executed by individuals who have an ownership interest in that corporation who indirectly own at least a 10% interest in you.)

If you, any guarantor or any parent, subsidiary or affiliate of yours holds any interest in other businesses that are franchised by us or our affiliates, at our request, the party who owns that interest will execute, concurrently with this Agreement, a form of cross-guarantee to us and/or our affiliates for the payment of all obligations for those businesses, unless waived in writing by us in our sole discretion. For purposes of this Agreement, an affiliate of yours is any company controlled, directly or indirectly, by you, your owners or your parent or subsidiary.

15. Transfers by Us. We have the unrestricted right to transfer or assign ownership interests in us and all or any part of our interest in this Agreement to any person or legal entity without your consent. You agree that we will have no liability after the effective date of the transfer or assignment for the performance of, or any failure to perform, any obligations transferred. We also have the right to delegate to others the performance of any of our duties under this Agreement.

16. Transfers by You.

16.1 Definition of Transfer. For purposes of this Agreement, "**Transfer**" means any sale, assignment, transfer, merger, conveyance, give away, pledge, mortgage or other encumbrance, either voluntarily or by operation of law (such as through divorce or bankruptcy proceedings) of: **(a)** any interest in this Agreement; **(b)** any interest in the Franchised Restaurant; **(c)** any interest in the Franchised Location; **(d)** the lease, or any interest in the lease, for the Franchised Restaurant; **(e)** any direct or indirect ownership interests in you; **(f)** substantially all of the assets of the Franchised Restaurant; or **(g)** substantially all of your other assets pertaining to your operations under this Agreement.

16.2 No Transfer Without our Consent. This Agreement is personal to you, and we have selected you as a franchisee based on our reliance on your (and your direct and indirect owners') character, skill, aptitude and business and financial capacity. Neither you nor any of your direct or indirect owners may undertake any Transfer or permit any Transfer to occur without obtaining our prior written consent. The decision as to whether to consent to a Transfer will be made in the exercise of our business judgment, but our consent will not be unreasonably withheld. We have the right to communicate with and counsel you, your direct and indirect owners and the proposed transferee on any aspect of a proposed Transfer. You agree to provide any information and documentation relating to the proposed Transfer that we reasonably require, including, but not limited to, a copy of the proposed offer. Unless otherwise agreed, we do not waive any claims against the transferring party if we consent to the Transfer.

16.3 Transfer Generally. Except as otherwise provided in this Section 16, if you or your direct or indirect owners propose to undertake a Transfer, the following conditions apply (unless waived by us):

16.3.1 You and your direct and indirect owners must:

(a) Be in compliance with all obligations to us under this Agreement and any other agreements you have with us, our affiliates, any lenders that have provided financing to you and your major suppliers as of the date of the request for our consent to the Transfer.

(b) Pay us a Transfer fee equal to 50% of the then-current initial franchise fee we are charging to reimburse us for our reasonable costs and expenses incurred in reviewing and documenting the Transfer, including legal and accounting fees, provided that you will not be required to pay us a Transfer fee in connection with a Transfer undertaken in accordance with Section 16.5.

(c) Advise us in writing of any proposed Transfer, submit (or cause the proposed transferee to submit) a franchise application for the proposed transferee, submit a copy of all contracts and all other agreements or proposals and submit all other information requested by us relating to the proposed Transfer.

16.3.2 The proposed transferee and all persons that have any direct or indirect ownership interest in the proposed transferee as we may require must demonstrate to our satisfaction extensive experience in high quality restaurant operations of a character and complexity similar to Birdcall Restaurants; must meet the managerial, operational, experience, quality, character and business standards for a franchisee promulgated by us from time to time; must possess a good character, business reputation and credit rating; must have an organization whose management culture is compatible with our management culture; and must have adequate financial resources and working capital to meet the obligations under this Agreement. If the proposed transferee is an existing Birdcall franchisee, the transferee and its direct and indirect owners must not be in default under their agreements with us and must have substantially complied with our operating standards.

16.3.3 An assignment agreement and/or any other agreements that we require to reflect the Transfer must be signed by the transferor and the proposed transferee. In addition, we may require, at our option, that amendments to this Agreement or our then-current standard form of franchise agreement (for an initial term ending on the expiration date of the Term) be signed which may provide for a different Royalty, Advertising Fund, local marketing requirements and other rights and obligations than those provided in this Agreement. There is no limitation on the extent to which the terms of the amended or new franchise agreement may differ from the terms of this Agreement.

16.3.4 We may require that the proposed transferee make arrangements to modernize and upgrade the Franchised Restaurant, at the transferee's expense, to comply with our standards and specifications for new Birdcall Restaurants.

16.3.5 You, your 10% Owners, all of your guarantors under this Agreement and the transferee must execute a general release, in a form prescribed by us, of all claims against us, our affiliates and our and their past, present and future affiliates, officers, directors, members, managers, shareholders, agents and employees. You and your guarantors under this Agreement will remain liable to us for all obligations arising before the effective date of the Transfer.

16.3.6 The price and other proposed terms of the Transfer must not, in our reasonable business judgment, have the effect of negatively impacting the future viability of the Franchised Restaurant.

16.3.7 Those persons or entities designated by us, which may include, but are not limited to, those with a direct or indirect ownership interest of 10% or more in the transferee, must execute our then-current form of Guarantee.

16.3.8 Unless waived by us in our sole discretion, the transferee and those employees of the transferee designated by us will complete the ITP in accordance with Section 9.1. We may charge a fee to provide this training.

16.3.9 Each of your affiliates that have entered into a franchise agreement with us must, as of the date of the request for our consent to the Transfer, be in compliance with all obligations to us under those agreements and with all obligations under any agreement with any lenders that have provided financing relating to Birdcall Restaurants.

16.4 Transfer of Partial Ownership Interest. If you propose to admit a new owner who will have less than a 10% ownership interest in you, remove an existing owner or change the distribution of ownership interests among your owners, you must give us advance notice and submit a copy of all proposed contracts and other information concerning the Transfer that we may request. You must also pay to us a Transfer fee as provided in Section 16.3.1.(b). We may withhold our consent on any reasonable grounds or give our consent subject to reasonable conditions, including the conditions in Sections 14.1, 16.3.1(a), 16.3.3 and 16.3.5. Any new owner must submit a franchise application and, if applicable, execute our then-current form of Guarantee.

16.5 Transfer for Convenience of Ownership. If you are an individual or a partnership, we will consent to the Transfer of this Agreement to a business entity that you form for the convenience of ownership, provided that: **(a)** the entity has and will have no business other than the operation of Birdcall Restaurants; **(b)** you comply with the requirements in Sections 14.1, 16.3.1(a), 16.3.3 and 16.3.5; **(c)** your owners hold equity interests in the new entity in the same proportion shown on Exhibit A; and **(d)** the top-level management of the Franchised Restaurant does not change. You will not be required to pay a transfer fee for a Transfer under this Section 16.5.

16.6 Transfer upon Death or Permanent Incapacity. If the Transfer is a transfer of direct or indirect ownership interests in you following the death or permanent incapacity (as reasonably determined by us) of a person that has a direct or indirect ownership interest in you, that person's executor, administrator or personal representative must apply to us in writing within 3 months after the death or declaration of permanent incapacity for consent to Transfer the person's interest. The Transfer will be subject to the provisions of Sections 16.3 or 16.4, as applicable. 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 or 16.4, as applicable, the executor may Transfer the decedent's interest to another successor that we have accepted, 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 6 months after the date of death or appointment of a personal representative, we may terminate this Agreement without opportunity to cure.

16.7 Securities Offerings. If you are a business entity, ownership interests in you may be sold, by private or public offering, only with our prior written consent (whether or not our written consent is required under any other provision of this Section), which consent will not be unreasonably withheld. In addition to the requirements of Section 16.3 or 16.4, as applicable, prior to the time that any public offering or private placement of securities or ownership interests in you is made available to potential investors, you, at your expense, must deliver to us a copy of the offering documents. You, at your expense, also must deliver to us an opinion of your legal counsel (addressed to us and in a form acceptable to us) that the offering documents properly use the Marks and accurately describe your relationship with us and/or our affiliates. The indemnification provisions of Section 23 will also include any losses or expenses incurred by us and/or our affiliates in connection with any statements made by or on behalf of you in any public or private offering of your securities.

16.8 Non-Conforming Transfers. Any purported Transfer that is not in compliance with this Section 16 is null and void and constitutes a material breach of this Agreement, for which we may terminate this Agreement without an opportunity to cure. 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.

16.9 Right of First Refusal. We have the right, exercisable within 30 days after receipt of the notice (and information) specified in Section 16.2 to send written notice to you that we intend to purchase the interest or assets proposed to be transferred. We may assign our right of first refusal to someone else either before or after we exercise it. However, our right of first refusal will not apply with regard to Transfers under Section 16.5 or Transfers to the spouse or adult child of a direct or indirect owner in you (including Transfers to a spouse or adult child as a result of death or permanent incapacity as described in Section 16.6), provided that the transferees meet all criteria required of new franchisees.

16.9.1 If the Transfer is proposed to be made pursuant to a sale, we or our designee may purchase the interest proposed to be transferred on the same economic terms and conditions offered by the third-party. Closing on our purchase must occur within 60 days after the date of our notice to the seller electing to purchase the interest (or, if the parties cannot agree on the cash equivalent, as provided in the next sentence, within 60 days after the appraiser's determination). If we cannot reasonably be expected to furnish the same consideration as the third-party, we may substitute the reasonable equivalent in cash. If the parties cannot agree within 30 days on the reasonable equivalent in cash, we and you will each select a professionally certified appraiser and the two selected appraisers will select a third professionally certified appraiser to determine the fair market value of the interest proposed to be transferred. The third appraiser will appraise the fair market value of the interest proposed to be transferred and the value set by the third appraiser will be conclusive. Closing on the purchase will occur within 30 days after our notice to the transferor of the appraiser's determination of fair market value. The appraisers' fees and costs will be borne equally by us and you. Any material change in the terms of the offer from a third party after we have elected not to purchase the seller's interest will constitute a new offer subject to the same right of first refusal as the third party's initial offer.

16.9.2 If a Transfer is proposed to be made by gift, we and you will each select a professionally certified appraiser and the two selected appraisers will select a third professionally certified appraiser to determine the fair market value of the interest proposed to be transferred. The third appraiser will appraise the fair market value of the interest proposed to be transferred and the value set by the third appraiser will be conclusive. We may purchase the interest at the fair market value determined by the appraiser. Closing on the purchase will occur within 30 days after our notice to the transferor of the appraiser's determination of fair market value. The appraisers' fees and costs will be borne equally by us and you. Any material change in the terms of the offer from a third party after we have elected not to purchase the seller's interest will constitute a new offer subject to the same right of first refusal as the third party's initial offer.

16.9.3 At any point, we may decline to exercise our rights under this Section. The decision by us and/or our designee to decline to exercise our right of first refusal will not constitute our consent to the proposed Transfer or a waiver of any other provision of this Section 16 with respect to the proposed Transfer. If we elect not to exercise our rights under this Section, the transferor may not complete the Transfer until he has complied with this Section 16. Closing of that Transfer must occur within 60 days of our election (or that longer period as applicable law may require); otherwise, the third-party's offer will be treated as a new offer subject to our right of first refusal. The Transfer is conditional upon our determination that the Transfer was completed on terms substantially the same as those offered to us. You must provide to us copies of all fully-executed agreements and any other information we request relating to the Transfer.

17. General Release. You (on behalf of yourself and your parent, subsidiaries and affiliates) (collectively, "Releasors") freely and without any influence forever release and covenant not to sue us, our parent, subsidiaries and affiliates and their and our respective past and present officers, directors, shareholders, members, managers, agents and employees, in their corporate and individual capacities, with respect to any and all claims, demands, liabilities and causes of action of whatever kind or nature, whether known or unknown, vested or contingent, suspected or unsuspected (collectively, "Claims"), that any Releasor now owns, has or claims to have or holds, or may in the future own or hold, or at any prior time owned, held, had or claimed to have, based on, arising out of or relating to, in whole or in part any fact, event, conduct or omission occurring on or before the Effective Date, including, without limitation, Claims arising under federal, state and local laws, rules and ordinances and Claims arising out of, or relating to this Agreement and all other agreements between any Releasor and us or our parent, subsidiaries or affiliates, the sale of any franchise to any Releasor, the development and operation of the Franchised Restaurant and the development and operation of all other restaurants operated by any Releasor that are franchised by us. Releasors expressly agree that fair consideration has been given by us for this release, and they fully understand that this is a negotiated, complete and final release of all claims.

Notwithstanding the foregoing, claims arising from representations in the Birdcall Franchise Disclosure Document, or its exhibits or amendments, are expressly excluded from this release.

18. Covenants.

18.1 Confidential Information. During and after the Term, you may not communicate, divulge or use for any purpose other than the development and/or operation of the Franchised Restaurant any confidential information, knowledge, trade secrets or know-how which may be communicated to you or which you may learn by virtue of this Agreement or the operation of the Franchised Restaurant. You may divulge confidential information only to your professional advisers, your employees who must have access to the information to develop or operate the Franchised Restaurant, your contractors and your landlord, provided that you obtain our prior consent. All information, knowledge and know-how relating to us, our business plans or the System are deemed confidential for purposes of this Agreement, except information that you can demonstrate came to your attention by lawful means prior to our disclosure, or that is or becomes a part of the public domain other than through you. At our request, you will require your employees, and any other person or entity to whom you wish to disclose any confidential information to sign agreements providing that they will maintain the confidentiality of the disclosed information. The agreements, which may be provided by us, must be in a form satisfactory to us and must identify us as a third-party beneficiary with the independent right to enforce the agreements.

18.2 Restrictions During the Term. You acknowledge and agree that: **(a)** pursuant to this Agreement, you will have access to valuable trade secrets, specialized training and confidential information from us and our affiliates regarding the development, operation, management, purchasing, sales and marketing methods and techniques of the System; **(b)** the System and the opportunities, associations and experience established by us and acquired by you under this Agreement are of substantial and material value; **(c)** in developing the System, we and our affiliates have made and continue to make substantial investments of time, technical and commercial research, and money; **(d)** we would be unable to adequately protect the System and its trade secrets and confidential information against unauthorized use or disclosure and would be unable to adequately encourage a free exchange of ideas and information among Birdcall Restaurants if franchisees were permitted to hold interests in competitive businesses; and **(e)** restrictions on your right to hold interests in, or perform services for, competitive businesses will not hinder your activities. Accordingly, you agree that, during the Term, you will not, without our prior written consent, either directly or indirectly through any other person or entity:

18.2.1 Divert or attempt to divert any business or customer, or potential business or customer, of any Birdcall Restaurant to any Competitive Business (as defined in Section 18.2.4).

18.2.2 Directly or indirectly own, manage, engage in, advise, make loans to, be employed by, assist or have any interest in any Competitive Business (as defined in Section 18.2.4).

18.2.3 During the Term, there is no geographical limitation on these restrictions.

18.2.4 As used in this Agreement, the term "**Competitive Business**" means any business, store, restaurant or location whose sales of chicken products are reasonably likely to account for 10% or more of the food sales of the business in any calendar month. Notwithstanding the foregoing, the term "Competitive Business" does not include those businesses in which any of your owners or you have a direct or indirect, legal or beneficial interest and: **(a)** that had been in operation prior to the date of the first franchise-related agreement between you and us; or **(b)** that your owners or you had contracted to develop prior to the date of the first franchise-related agreement between you and us, provided those businesses are listed in Exhibit A ("**Existing Businesses**").

18.3 Restrictions After Termination, Expiration or Transfer. In light of your acknowledgments and agreements as set forth in Section 18.2, you agree as follows:

18.3.1 For a period of 2 years following the expiration or termination of this Agreement or a Transfer, you covenant and agree that you will not directly or indirectly own, manage, engage in, advise, make loans to, be employed by, assist or have any interest in any Competitive Business that is (or is intended to be) located at or within 10 miles of the Franchised Location or within 2 miles of any other Birdcall Restaurant.

18.3.2 For a period of 2 years following the expiration or termination of this Agreement or a Transfer, you further covenant and agree that you will not, either directly or indirectly, for yourself, or through, on behalf of, or in conjunction with any person, firm, partnership, corporation, or other entity, sell, assign, lease or transfer the Franchised Location to any person, firm, partnership, corporation, or other entity which you know, or have reason to know, intends to operate a Competitive Business at the Franchised Location. You, by the terms of any conveyance selling, assigning, leasing or transferring your interest in the Franchised Location, must include restrictive covenants as are necessary to ensure that a Competitive Business that would violate this Section is not operated at the Franchised Location for this 2-year period, and you must take all steps necessary to ensure that these restrictive covenants become a matter of public record.

18.4 Modification. We have the right, in our sole discretion, to reduce the scope of any covenant in this Section 18 effective immediately upon your receipt of written notice, and you agree that you will comply with any covenant as so modified, which will be fully enforceable notwithstanding the provisions of Section 26. If any part of these restrictions is found to be unreasonable in time or distance, each month of time or mile of distance may be deemed a separate unit so that the time or distance may be reduced by appropriate order of the court to that deemed reasonable. If, at any time during the 2-year period following expiration or termination of this Agreement or a Transfer, you fail to comply with your obligations under this Section, that period of noncompliance will not be credited toward your satisfaction of the 2-year obligation. Following the resolution of any dispute regarding the enforceability of this Section that is resolved in our favor, the 2-year period (or that other period as may be deemed reasonable by the court) will run from the date of the resolution.

18.5 Applicability. The restrictions contained in this Section 18 apply to you, all 10% Owners and all guarantors under this Agreement. This Section 18 does not prohibit you, any 10% Owner or any guarantor under this Agreement from having: **(a)** interests in any other franchise-related agreement with us or our affiliates that remains in effect; or **(b)** ownership of less than 5% of the outstanding equity securities of any publicly-held corporation, as defined in the Securities and Exchange Act of 1934.

18.6 Enforcement. The existence of any claim you may have against us, whether or not arising from this Agreement, will not constitute a defense to our enforcement of this Section 18. You agree to pay all costs and expenses that we reasonably incur in enforcing this Section 18, including reasonable attorneys' fees. You acknowledge that a violation of the terms of this Section 18 would result in irreparable injury to us for which no adequate remedy at law may be available. Accordingly, you consent to the issuance of an injunction prohibiting any conduct in violation of the terms of this Section 18. Injunctive relief will be in addition to any other remedies that we may have.

18.7 Survival. The terms of this Section 18 will survive the termination or expiration of this Agreement or any Transfer. You and we agree this Section 18 will be construed as independent of any other provision of this Agreement.

19. Default and Termination.

19.1 Grounds for Termination. In addition to the grounds for termination stated elsewhere in this Agreement, we may terminate this Agreement, and the rights granted by this Agreement, by written notice to you, without giving you an opportunity to cure, upon the occurrence of any of the following events:

19.1.1 Any Trained Personnel fail to complete the ITP.

19.1.2 You fail to open the Franchised Restaurant for business by the Opening Date, unless we, in our sole discretion, extend this period to address unforeseen construction delays that are not within your control.

19.1.3 You are insolvent or unable to pay your creditors (including us); file a petition in bankruptcy, an arrangement for the benefit of creditors or a petition for reorganization; there is filed against you a petition in bankruptcy, an arrangement for the benefit of creditors or petition for reorganization that is not dismissed within 60 days of the filing; you make an assignment for the benefit of creditors; or a receiver or trustee is appointed for you and not dismissed within 60 days of the appointment.

19.1.4 Execution is levied against your business or property; suit to foreclose any lien or mortgage against the Franchised Location or equipment of the Franchised Restaurant is instituted against you and is not dismissed within 60 days; or the real or personal property of the Franchised Restaurant is sold after levy thereupon by any sheriff, marshal or constable.

19.1.5 There is a material breach of any obligation under Section 18.

19.1.6 We discover that you made a material misrepresentation or omitted a material fact in the information that you furnished to us in connection with our decision to enter into this Agreement.

19.1.7 You knowingly falsify any report required to be furnished to us or knowingly make any material misrepresentation in your dealings with us or knowingly fail to disclose any material facts to us.

19.1.8 You, any 10% Owner, any guarantor under this Agreement or any of your managers, members, officers or directors is convicted of, or pleads no contest to, a crime that we reasonably believe is likely to harm the reputation of the System or our goodwill.

19.1.9 Any Transfer that requires our prior written consent occurs without your having obtained that prior written consent or occurs on terms contrary to or not included in our prior written consent.

19.1.10 You, your Operating Principal, any 10% Owner or any other entity that is a Birdcall Restaurant franchisee and in which you, your Operating Principal or any 10% Owner have a direct or indirect ownership interest remain in default beyond the applicable cure period under: **(a)** any other agreement with us or our affiliates; **(b)** any real estate lease, equipment lease or financing instrument relating to the Franchised Restaurant; or **(c)** any agreement with any vendor or supplier to the Franchised Restaurant; provided that if the default is not by you, we provide you written notice of the default and 10 days to cure the default.

19.1.11 You refuse to permit, or try to hinder, an examination or audit of your books and records or inspection of the Franchised Restaurant or Franchised Location as permitted by this Agreement.

19.1.12 Any condition exists with respect to the Franchised Restaurant that, in our reasonable judgment, seriously jeopardizes public health or safety.

19.1.13 You lose the right to operate at the Franchised Location and, if applicable, fail to secure our acceptance of another site within the time permitted by Section 2.1.

19.1.14 During any 12-month period, you fail to operate the Franchised Restaurant for 3 or more consecutive days, or 5 total days, that you were required to operate the Franchised Restaurant, unless we determine, in our sole discretion, that such failure was beyond your control.

19.1.15 An entity that is not a party to this Agreement is operating the Franchised Restaurant without our prior written consent.

19.2 Termination Following Expiration of Cure Period.

19.2.1 Except for those items listed in Sections 19.1, 19.2.2 and 19.2.3, you will have 30 days after written notice of default from us within which to remedy the default and provide evidence of that remedy to us. If any default is not cured within that time, this Agreement will terminate without further notice to you effective immediately upon expiration of that time, unless we notify you otherwise in writing. Notwithstanding the foregoing, if the default cannot be corrected within 30 days, you will have that additional time to correct the default as we believe to be reasonably required (not to exceed 90 days) provided that you begin taking the actions necessary to correct the default during the 30-day cure period and diligently and in good faith pursue those actions to completion. You will be in default under this Section 19.2.1 for any failure to materially comply with any of the requirements imposed by this Agreement or otherwise in writing, or to carry out the terms of this Agreement in good faith.

19.2.2 Notwithstanding the provisions of Section 19.2.1, if you fail to pay any monies owed to us or our affiliates when those monies become due and payable and you fail to pay those monies within 10 days after receiving written notice of default, this Agreement will terminate effective immediately upon expiration of that time, unless we notify you otherwise in writing.

19.2.3 If you have received 2 or more notices of default under this Agreement within the previous 12 months, we will be entitled to send you a notice of termination upon your next default under this Agreement in that 12-month period without providing you an opportunity to remedy that default.

19.2.4 Notwithstanding the foregoing, upon the occurrence of a default under this Section 19.2, in lieu of terminating this Agreement, we may, in our discretion, elect to terminate your limited exclusive rights in the Protected Area and/or to modify the Protected Area.

19.3 Statutory Limitations. If any valid, applicable law or regulation of a competent governmental authority with jurisdiction over this Agreement requires a notice or cure period prior to termination longer than set forth in this Agreement, this Agreement will be deemed amended to conform to the minimum notice or cure period required by the applicable law or regulation.

20. Obligations on Termination or Expiration.

20.1 Your Obligations. Upon termination or expiration of this Agreement for any reason, unless we direct you otherwise:

20.1.1 All rights and licenses granted to you under this Agreement (including, without limitation, rights to use the System, the Manual and the Marks) will immediately terminate and any right, title, and interest claimed by you to any such matters will immediately revert to us without further notice or documentation.

20.1.2 You must immediately cease to operate the Franchised Restaurant and may not thereafter, directly or indirectly, represent to the public or hold yourself out as a present or former franchisee of the System.

20.1.3 You will immediately and permanently cease to use, in any manner whatsoever, the System, the Marks and the Manual.

20.1.4 You must promptly pay all sums owing to us, our affiliates and your suppliers. These sums include, but are not limited to, the Royalty, Advertising Fund, interest or other fees, damages, expenses and attorneys' fees incurred as a result of your default.

20.1.5 You must cease to use in advertising or in any manner the confidential methods, procedures and techniques associated with the System, including all proprietary recipes, ingredients, and processes.

20.1.6 You and all persons and entities subject to the restrictions contained in Section 18 will continue to abide by those restrictions and will not, directly or indirectly, take any action that violates those restrictions.

20.1.7 Unless we direct you to maintain your existing signage while we determine if we will exercise our option to purchase under Section 21, you must immediately cease to use, by advertising or in any other manner, the "Birdcall" name, all other Marks and all other distinctive forms, slogans, signs, symbols, web sites, domain names, email addresses, and devices associated with the System. If you subsequently begin to operate another business, you must not use any reproduction, counterfeit, copy, or colorable imitation of the Marks in connection with that business that is likely to cause confusion, mistake or deception, or which is likely to dilute our exclusive rights in and to the Marks, nor any trade dress or designation of origin or description or representation that falsely suggests or represents an association or connection with us. Within 15 days, you must promptly take those actions as may be necessary to cancel any assumed name registration or equivalent registration, and any domain name registration that contains the "Birdcall" name.

20.1.8 Unless we direct you to maintain the existing appearance of the Franchised Location while we determine if we will exercise our option under Section 21, you must make modifications or alterations to the Franchised Location and the Franchised Restaurant immediately upon termination or expiration of this Agreement as necessary to prevent the operation of any business in violation of this Section 20 and any specific additional changes we reasonably request for that purpose. Upon our request, you must return to us, at our cost, any signage that we specify. If you fail to comply with this Section within 30 days following termination or expiration of this Agreement, we have the right to enter the premises, without being guilty of trespass or any other tort, for the purpose of removing signs and any other articles that display the Marks or Trade Dress. You agree to reimburse us on demand for our expenses in making those changes.

20.1.9 You must immediately deliver to us all hard copies, and delete all electronic copies, of the Manual and all training materials, marketing materials, records, files, instructions, and correspondence in your possession or control that contain confidential information (as described in Section 18.1). You also must deliver to us all hard copies, and delete all electronic copies, of customer information and customer lists that you have compiled and uninstall any software that we have provided.

20.1.10 The limited exclusive rights granted to you in the Protected Area will terminate, and we will have the right to operate, and license others to operate, Birdcall Restaurants anywhere in the Protected Area.

20.2 Evidence of Compliance. You will furnish to us, within 30 days after the effective date of termination or expiration, evidence (certified to be true, correct and complete, by an officer, manager or 10% Owner) satisfactory to us of your compliance with Section 20.1.

20.3 Other Business Operations. You will not, except with respect to a Birdcall Restaurant franchised by us that is then open and operating pursuant to an effective franchise agreement: **(a)** operate or do business under any name or in any manner that might tend to give the public the impression that you are connected in any way with us or our affiliates or have any right to use the System or the Marks; **(b)** make, use or avail yourself of any of the materials or information furnished or disclosed by us or our affiliates under this Agreement or disclose or reveal any such materials or information or any portion thereof to anyone else; or **(c)** assist anyone not licensed by us to construct or equip a restaurant substantially similar to a Birdcall Restaurant.

20.4 Listings. We will have the option, exercisable by written notice within 30 days after the termination or expiration of this Agreement, to take an assignment of all telephone numbers, facsimile numbers, domain names, social media accounts (and associated domain names) or other numbers, names and directory listings (collectively, "**Listings**") associated with any Mark or the Franchised Restaurant, and you must notify the telephone company, all telephone directory publishers, and all domain name registries and Internet service providers of the termination or expiration of your right to use any Listing associated with the Franchised Restaurant, and authorize and instruct their transfer to us or to a third party, at our direction and/or to instruct the telephone company, domain name registries and Internet service providers to forward all calls, e-mails and electronic communications made to your names, numbers or addresses to names, numbers or addresses we specify. If you fail to promptly make these notifications, you agree that we may do so as your attorney in fact. You are not entitled to any compensation from us if we exercise this option.

20.5 Lost Revenue Damages. If we terminate this Agreement because of your breach or if you terminate this Agreement without cause, you and we agree that it would be difficult, if not impossible, to determine the amount of damages that we would suffer due to the loss or interruption of the revenue stream we otherwise would have derived from your continued payment of the Royalty and the Brand Fund contributions through the remainder of the Term. Therefore, you and we agree that a reasonable estimate of such damages, less any cost savings we might have experienced ("**Lost Revenue Damages**"), is an amount equal to the net present value of the Royalty and the Brand Fund contributions that would have been paid had this Agreement not been terminated, from the date of termination to the earlier of: **(a)** 3 years following the date of termination; or **(b)** the scheduled expiration of the Term ("**Measurement Period**").

For the purposes of this Section, Lost Revenue Damages will be calculated as follows: **(1)** the aggregate of the Royalty, the Brand Fund contribution percentages (if any) multiplied by the average monthly Gross Sales of the Franchised Restaurant during the 12 full calendar months immediately preceding the termination date (or, if as of the effective date of termination, the Franchised Restaurant has not been operating for at least 12 full calendar months, we will use the average monthly Gross Sales of all Birdcall Restaurants operating during that 12 month period); **(2)** multiplied by the number of calendar months in the Measurement Period.

You agree to pay us Lost Revenue Damages, as damages and not as a penalty, as calculated in accordance with this Section, within 15 days after the effective date of termination, or on any later date that we determine. You and we agree that the calculation described in this Section is a calculation only of the Lost Revenue Damages and that nothing will preclude or limit us from proving and recovering any other damages caused by your breach of this Agreement.

21. Option to Purchase.

21.1 Scope. Upon the expiration or termination of this Agreement for any reason, we will have the option to purchase from you some or all of the assets used in the Franchised Restaurant ("**Assets**"). We may exercise our option by giving written notice to you at any time following expiration or termination up until 30 days after the later of: **(a)** the effective date of expiration or termination; or **(b)** the date you cease operating the Franchised Restaurant. As used in this Section 21, "**Assets**" means, without limitation, equipment, vehicles, furnishings, fixtures, signs and inventory (non-perishable products, materials and supplies) used in the Franchised Restaurant, all licenses necessary to operate the Franchised Restaurant (if transferable) and the real estate fee simple or the lease or sublease for the Franchised Location. As provided in Section 7.5, customer information and customer lists are owned by us and accordingly are not included within the definition of "Assets." Customer information and customer lists will be returned to us without charge upon expiration or termination and you may not sell the information or lists to a third party. We will be entitled to the entry of interlocutory and permanent orders of specific performance by a court of competent jurisdiction if you fail or refuse to timely meet your obligations under this Section 21. We will have the unrestricted right to assign this option to purchase the Assets. We or our assignee will be entitled to all customary representations and warranties that the Assets are free and clear (or, if not, accurate and complete disclosure) as to: **(1)** ownership, condition and title; **(2)** liens and encumbrances; **(3)** environmental and hazardous substances; and **(4)** validity of contracts and liabilities inuring to us or affecting the Assets, whether contingent or otherwise.

21.2 Purchase Price. The purchase price for the Assets ("**Purchase Price**") will be their fair market value (or, for leased assets, the fair market value of the lease), determined as of the effective date of expiration or termination in a manner that accounts for reasonable depreciation and condition of the Assets; provided, however, that the Purchase Price will take into account the termination of this Agreement. Further, the Purchase Price for the Assets will not contain any factor or increment for any trademark, service mark or other commercial symbol used in connection with the operation of the Franchised Restaurant nor any goodwill or "going concern" value for the Franchised Restaurant. We may exclude from the Assets purchased in accordance with this Section any equipment, vehicles, furnishings, fixtures, signs, and inventory that are not accepted as meeting then-current standards for a Birdcall Restaurant or for which you cannot deliver a Bill of Sale in a form satisfactory to us.

21.3 Certified Appraisers. If we and you are unable to agree on the fair market value of the Assets within 30 days after the date you receive our notice expressing our intent to exercise our option to purchase the Assets, we and you will each select a professionally certified appraiser and the two selected appraisers will select a third professionally certified appraiser. The third appraiser will appraise the fair market value of the Assets. The value set by the third appraiser will be conclusive and will be the Purchase Price.

21.4 Access to Franchised Restaurant. The appraiser will be given full access to the Franchised Restaurant, the Franchised Location and your books and records during customary business hours to conduct the appraisal and will value the leasehold improvements, equipment, furnishings, fixtures, signs and inventory in accordance with the standards of this Section 21. The appraisers' fees and costs will be borne equally by us and you.

21.5 Exercise of Option. Within 10 days after the Purchase Price has been determined, we may exercise our option to purchase the Assets by so notifying you in writing ("**Purchase Notice**"). The Purchase Price will be paid in cash or cash equivalents at the closing of the purchase ("**Closing**"), which will take place no later than 60 days after the date of the Purchase Notice. From the date of the Purchase Notice until Closing:

21.5.1 You will operate the Franchised Restaurant and maintain the Assets in the usual and ordinary course of business and maintain in full force all insurance policies required under this Agreement.

21.5.2 We will have the right to appoint a manager, at our expense, to control the day-to-day operations of the Franchised Restaurant, and you will cooperate, and instruct your employees to cooperate, with the manager appointed by us.

21.5.3 We may require you to close the Franchised Restaurant during that time period without removing any Assets from the Franchised Restaurant.

21.6 Due Diligence. For a period of 30 days after the date of the Purchase Notice ("**Due Diligence Period**"), we will have the right to conduct such investigations as we deem necessary and appropriate to determine: **(a)** the ownership, condition and title of the Assets; **(b)** liens and encumbrances on the Assets; **(c)** environmental and hazardous substances at or upon the Franchised Location; and **(d)** the validity of contracts and liabilities inuring to us or affecting the Assets, whether contingent or otherwise. You will afford us and our representatives access to the Franchised Restaurant and the Franchised Location at all reasonable times for the purpose of conducting inspections of the Assets; provided that such access does not unreasonably interfere with your operations of the Franchised Restaurant.

21.7 Our Rights During Due Diligence Period. During the Due Diligence Period, at our sole option and expense, we may: **(a)** cause the title to the Assets that consist of real estate interests ("**Real Estate Assets**") to be examined by a nationally recognized title company and conduct lien searches as to the other Assets; **(b)** procure "AS BUILT" surveys of the Real Estate Assets; **(c)** procure environmental assessments and testing with respect to the Real Estate Assets; and/or **(d)**

inspect the Assets that consist of leasehold improvements, equipment, vehicles, furnishings, fixtures, signs and inventory ("**Fixed Assets**") to determine if the Fixed Assets are in satisfactory working condition. Prior to the end of the Due Diligence Period, we will notify you in writing of any objections that we have to any finding disclosed in any title to lien search, survey, environmental assessment or inspection. If you cannot or elect not to correct any such title defect, environmental objection or defect in the working condition of the Fixed Assets, we will have the option to either accept the condition of the Assets as they exist or rescind our option to purchase on or before the Closing.

21.8 Compliance with Law. Prior to the Closing, we and you will comply with all applicable legal requirements, including the bulk sales provisions of the Uniform Commercial Code of the state in which the Franchised Restaurant is located and the bulk sales provisions of any applicable tax laws and regulations. You will, prior to or simultaneously with the Closing, pay all tax liabilities incurred in connection with the operation of the Franchised Restaurant prior to Closing. We will have the right to set off against and reduce the Purchase Price by any and all amounts owed by you to us, and the amount of any encumbrances or liens against the Assets or any obligations assumed by us.

21.9 The Franchised Location.

21.9.1 If the Franchised Location is leased and the lease is assigned to us or we sublease the Franchised Location from you, we will indemnify and hold you harmless from any ongoing liability under the lease from the date we assume possession of the Franchised Location, and you will indemnify and hold us harmless from any liability under the lease prior to and including that date.

21.9.2 If you own the Franchised Location, we, at our option, will either purchase the fee simple interest or, upon purchase of the other Assets, enter into a lease with you on terms comparable to those for which similar commercial properties in the area are then being leased. The initial term of this lease with you will be at least 20 years with one option to renew for 10 years and the rent will be the fair market rental value of the Franchised Location. If we and you cannot agree on the fair market rental value of the Franchised Location, appraisers (selected in the manner described in Section 21.3) will determine the rental value.

21.10 Your Obligations at Closing. At the Closing, you will deliver instruments transferring to us or our assignee: **(a)** good and merchantable title to the Assets purchased, free and clear of all liens and encumbrances (other than liens and security interests acceptable to us or our assignee), with all sales and other transfer taxes paid by you; **(b)** all licenses and permits for the Franchised Restaurant that may be assigned or transferred, with appropriate consents, if required; and **(c)** if applicable, the lease or sublease for the Franchised Location, with appropriate consents, if required. If you cannot deliver clear title to all of the purchased Assets as indicated in this Section, or if there are other unresolved issues, the Closing will be accomplished through an escrow.

22. Relationship of the Parties. This Agreement does not create a fiduciary or other special relationship or make you or us an agent, legal representative, joint venturer, joint employer, partner, employee or servant of each other for any purpose. You are not authorized to make any contract, agreement, warranty or representation on our behalf, or to create any obligation, express or implied, on our behalf. During the Term, you agree to hold yourself out to the public as an independent contractor operating the Franchised Restaurant under license from us, and you agree to exhibit a notice to that effect (the location and content of which we reserve the right to specify) in a conspicuous place at the Franchised Restaurant.

23. Indemnification. You agree to defend, indemnify, and hold harmless us and our past, present and future affiliates, officers, directors, managers, members, shareholders, agents, attorneys, consultants, and employees against any claims, losses, costs, expenses, liabilities and damages arising directly or indirectly from, as a result of, or in connection with the Franchised Restaurant, as well as the costs of defending against those claims, losses, costs, expenses, liabilities and damages (including, but not limited to, reasonable attorneys' fees, costs of investigation, settlement costs and interest). You promptly will give us written notice of any litigation, proceeding, or dispute filed or instituted against you that could directly or indirectly affect us or any of the other indemnitees under this Section and, upon request, you will furnish us with copies of any documents from those matters as we may request.

With respect to any threatened or actual litigation, proceeding, or dispute that could directly or indirectly affect us or any of the other indemnitees under this Section, we will have the right, but not the obligation, to: **(a)** choose counsel; **(b)** direct and control the handling of the matter; and/or **(c)** settle any claim against the indemnitees. Our exercise of these rights does not affect your obligation to indemnify and hold us harmless in accordance with this Section. This Section will survive the expiration or termination of this Agreement, and applies to claims, losses, costs, expenses, liabilities and damages even if they exceed the limits of your insurance coverage.

24. Consents and Waivers.

24.1 Consent. Whenever our prior written approval, acceptance or consent is required under this Agreement, you agree to make a timely written request to us for that approval, acceptance or consent. Our approval, acceptance or consent must be in writing and signed by an authorized officer or manager to be effective.

24.2 No Warranties. We make no warranties or guarantees upon which you may rely by providing any waiver, approval, consent or suggestion to you in connection with this Agreement and assume no liability or obligation to you therefor, or by reason of any neglect, delay, or denial of any request therefor. We will not, by virtue of any waivers, approvals, consents, advice or services provided to you, assume responsibility or liability to you or to any third parties to which we would not otherwise be subject.

24.3 Waivers. No delay or failure to exercise any right under this Agreement or to insist upon your strict compliance with any obligation or condition, and no custom or practice that differs from the terms of this Agreement, will constitute a waiver of our right to exercise the contractual right or demand your strict compliance with the terms of this Agreement. Our waiver of any particular default does not affect or impair our rights with respect to any subsequent default you may commit. Our waiver of a default by another franchisee does not affect or impair our right to demand your strict compliance with the terms of this Agreement. Our acceptance of any payments due from you does not waive any prior defaults.

25. Notices. Notices related to this Agreement will be effective upon receipt (or first rejection) and may be given by any of the following delivery methods: (a) certified or registered mail; (b) U.S. Priority Mail or national commercial delivery service (e.g., UPS, Federal Express); or (c) email (if receipt is verified within 24 hours of transmission). Notices to you and us must be sent to the addresses on the first page of this Agreement; however, we also may send notices addressed to you at the Franchised Location. Email notices must be sent to the email address provided by the party. Either party can change its notice address by informing the other party.

26. Entire Agreement. Each element of this Agreement is essential and material. This Agreement, the Manual, the documents referred to in this Agreement and the attachments to this

Agreement constitute the entire agreement between you and us with respect to the Franchised Restaurant at the Franchised Location and supersede all prior negotiations, representations, correspondence and agreements concerning the same subject matter. Except for our Franchise Disclosure Document, there are no other representations, inducements, promises, agreements, arrangements, or undertakings, oral or written, between the parties relating to the matters covered by this Agreement other than those set forth in this Agreement and in the attachments. No obligations or duties that contradict or are inconsistent with the express terms of this Agreement may be implied into this Agreement. Except as expressly set forth in this Agreement, no amendment, change or variance from this Agreement will be binding on either party unless mutually agreed to by the parties and executed in writing. Notwithstanding the foregoing, nothing in this Agreement is intended to disclaim any representation made in our Franchise Disclosure Document.

27. Severability and Construction.

27.1 Severability. Each provision of this Agreement is severable from the others. If, for any reason, any provision is determined by a court to be invalid, the invalidity will not impair the operation of the remaining provisions of this Agreement. The latter will continue to be given full force and effect and bind us and you and the invalid provision(s) will be deemed not to be a part of this Agreement.

27.2 Survival. 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 expiration, termination or Transfer.

27.3 Interpretation. This Agreement will not be interpreted in favor of or against any party based on a party's sophistication or based on the party that drafted this Agreement. Except as otherwise expressly provided, nothing in this Agreement is intended, or will be deemed, to confer any rights or remedies upon any person or legal entity other than you and us.

27.4 Gender and Number. All references to gender and number will be construed to include such other gender and number as the context may require.

27.5 Captions. All captions in this Agreement are intended solely for the convenience of the parties and none will be deemed to affect the meaning or construction of any provision of this Agreement.

27.6 Counterparts and Signatures. This Agreement may be executed in counterparts, and each copy so executed and delivered will be deemed an original. This Agreement may be signed using electronic signatures, and those signatures will have full legal force and effect.

27.7 Time. Time is of the essence of this Agreement for each provision in which time is a factor.

27.8 Injunctive Relief. Your failure to comply with the terms of this Agreement, including, but not limited to, the failure to fully comply with the restrictions contained in 18 or the failure to comply with all post-termination obligations, is likely to cause irreparable harm to us, our affiliates and the System. Therefore, you agree that, in the event of a breach or threatened breach of any of the terms of this Agreement by you, we will be entitled to declaratory and injunctive relief (both preliminary and permanent) restraining that breach and/or to specific performance without showing or proving actual damages and without posting any bond or security.

27.9 Our Discretion. Whenever we have a right and/or the discretion to take or withhold an action, or to grant or decline to grant you a right to take or withhold an action, except as otherwise expressly and specifically provided in this Agreement, we may make that decision or exercise our right and/or discretion on the basis of our judgment of what is in the best interests of the System. Our judgment of what is in the best interests of the System, at the time our decision is made or our right or discretion is exercised, can be made without regard to whether: **(a)** other reasonable alternative decisions or actions, or even arguably preferable alternative decisions or actions, could have been made by us; **(b)** our decision or the action taken promotes our financial or other interests; **(c)** our decision or the action taken applies differently to you and one or more other franchisees or our company-owned or affiliate-owned operations; or **(d)** our decision or the action taken is adverse to your interests. We will have no liability to you for any such decision or action. We and you intend that the exercise of our right or discretion will not be subject to limitation or review. If applicable law implies a covenant of good faith and fair dealing in this Agreement, we and you agree that such covenant will not imply any rights or obligations that are inconsistent with a fair construction of the terms of this Agreement and that this Agreement grants us the right to make decisions, take actions and/or refrain from taking actions not inconsistent with your rights and obligations under this Agreement.

27.10 Force Majeure. If the performance of any obligation by you or us under this Agreement is prevented, hindered or delayed by reason of Force Majeure, which cannot be overcome by reasonable commercial measures, your and our respective obligations (to the extent that the you and we, having exercised best efforts, are prevented, hindered or delayed in such performance) will be suspended during the period of the Force Majeure event. The party whose performance is affected by an event of Force Majeure will give prompt written notice of the Force Majeure event to the other party of the Force Majeure event and an estimate as to its duration.

As used in this Agreement, "**Force Majeure**" means any act of God, strike, lock-out or other industrial disturbance, war (declared or undeclared), riot, epidemic, pandemic, outbreak of disease, fire or other catastrophe, act of any government or a third party and any other cause not within the control of the affected party (including, without limitation, any act of terrorism). The existence of Force Majeure will not affect your obligation to pay us, our affiliates or any supplier any monies owed to us when due. Your inability to obtain financing or pay us any monies owed to us (regardless of the reason) will not constitute Force Majeure.

28. Dispute Resolution.

28.1 Choice of Law. This Agreement and the relationship between the parties is governed by and will be construed in accordance with the laws of the State of Colorado provided, however, that if any provision of this Agreement would not be enforceable under the laws of Colorado and the Franchised Restaurant is located outside of Colorado, then that provision will be interpreted and construed under the laws of the state in which the Franchised Restaurant is located. Nothing in this Section is intended, or will be deemed, to make any Colorado law regulating the offer or sale of franchises or business opportunities or the franchise relationship applicable to this Agreement if that law would not otherwise be applicable.

28.2 Choice of Forum. The parties agree that, to the extent any disputes cannot be resolved directly between them, you must file any suit against us only in the federal or state court having jurisdiction where our principal offices are located at the time suit is filed. We must file suit in the federal or state court located in the jurisdiction where our principal offices are located at the time suit is filed or in the jurisdiction where you reside or do business or where the Franchised Restaurant is or was located or where the claim arose. You consent to the personal jurisdiction of those courts over you and to venue in those courts.

28.3 Limitation of Actions. Any legal action or proceeding (including a proceeding related to the offer and sale of a franchise to you) brought or instituted with respect to any dispute arising from or related to this Agreement or with respect to any breach of the terms of this Agreement must be brought or instituted within a period of 2 years after the initial occurrence of any act or omission that is the basis of the legal action or proceeding, regardless of when discovered. The preceding limitation period does not apply: **(a)** with respect to payments owed by one party to the other; **(b)** if prohibited by applicable law; or **(c)** if applicable law provides for a shorter limitations period.

28.4 Mutual Waiver of Jury Trial. You and we irrevocably waive trial by jury in any litigation.

28.5 Other Waivers. You and we waive: **(a)** any right to or claim of punitive, exemplary, multiple or consequential damages against the other in litigation and agrees to be limited to the recovery of actual damages sustained; and **(b)** any right to participate in any action or proceeding a consolidated, common, representative, group or class basis.

28.6 Remedies not Exclusive. Except as provided in Sections 28.1 through 28.5, 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.

28.7 Reimbursement of Costs and Expenses. If either party brings an action to enforce this Agreement in a judicial proceeding, the party prevailing in that proceeding will be entitled to reimbursement of costs and expenses, including, but not limited to, reasonable accountants', attorneys', attorneys' assistants' and expert witness fees, the cost of investigation and proof of facts, court costs, other litigation expenses, and travel and living expenses, whether incurred prior to, in preparation for, or in contemplation of the filing of, the proceeding. If we utilize legal counsel (including in-house counsel employed by us) in connection with any failure by you to comply with this Agreement, you must reimburse us for any of the above-listed costs and expenses incurred by us. In any judicial proceeding, the amount of these costs and expenses will be determined by the court and not by a jury.

28.8 Rights of Parties are Cumulative. The parties' rights under this Agreement are cumulative and the exercise or enforcement of any right or remedy under this Agreement will not preclude the exercise or enforcement by a party of any other right or remedy under this Agreement that it is entitled by law or this Agreement to exercise or enforce.

28.9 Survival. The provisions of this Section 28 will survive the expiration, termination or Transfer of this Agreement.

29. Miscellaneous.

29.1 Control During Crisis Situation. If an event occurs at the Franchised Restaurant that has or reasonably may cause harm or injury to customers, guests or employees (*i.e.*, food spoilage/poisoning, food tampering/sabotage, slip and fall injuries, natural disasters, robberies, shootings, Data Breach, etc.) or may damage the Marks, the System or our reputation (collectively "**Crisis Situation**"), you must: **(a)** immediately contact appropriate emergency care providers to assist it in curing the harm or injury; and **(b)** immediately inform us by telephone of the Crisis Situation. You must refrain from making any internal or external announcements (*i.e.*, no communication with the news media) regarding the Crisis Situation (unless otherwise directed by us or public health officials).

To the extent we deem appropriate, in our sole discretion, we or our designee may control the manner in which the Crisis Situation is handled by the parties, including, without limitation, conducting all communication with the news media, providing care for injured persons and/or temporarily closing the Franchised Restaurant. The parties acknowledge that, in directing the management of any Crisis Situation, we or our designee may engage the services of attorneys, experts, doctors, testing laboratories, public relations firms and those other professionals as we deem appropriate. You and your employees must cooperate fully with us or our designee in our efforts and activities in this regard and will be bound by all further Crisis Situation procedures developed by us from to time hereafter. The indemnification under Section 23 will include all losses and expenses that may result from the exercise by us or our designee of the management rights granted in this Section 29.1.

29.2 Compliance with U.S. Laws. You acknowledge that under applicable U.S. law, including, without limitation, Executive Order 13224, signed on September 23, 2001 ("**Order**"), we are prohibited from engaging in any transaction with any person engaged in, or with a person aiding any person engaged in, acts of terrorism, as defined in the Order. Accordingly, you represent and warrant to us that, as of the Effective Date, neither you nor any person holding any ownership interest in you, controlled by you, or under common control with you is designated under the Order as a person with whom business may not be transacted by us, and that you: **(a)** do not, and hereafter will not, engage in any terrorist activity; **(b)** are not affiliated with and do not support any individual or entity engaged in, contemplating, or supporting terrorist activity; and **(c)** are not acquiring the rights granted under this Agreement with the intent to generate funds to channel to any individual or entity engaged in, contemplating, or supporting terrorist activity, or to otherwise support or further any terrorist activity.

29.3 No Guarantee of Success. This Agreement involves significant legal and business rights and risks. We do not guarantee your success. You have not received from us or our affiliates or anyone acting on our behalf any representation of your potential sales, expenses, income, profit or loss. You have conducted an independent investigation of the business contemplated by this Agreement and recognize that the nature of the business conducted by Birdcall Restaurants may change over time. The prospect for success of the business undertaken by you is speculative and depends to a material extent upon your personal commitment, capability and direct involvement in the day-to-day management of the business.

29.4 Site Acceptance. Acceptance of one or more sites by us and our refusal to accept other sites is not a representation that a Franchised Restaurant at a site we have accepted will achieve a certain sales volume or a certain level of profitability, or that a Franchised Restaurant at a site we have accepted will have a higher sales volume or be more profitable than a site which we did not accept. Acceptance by us merely means that the minimum criteria which we have established for identifying suitable sites for proposed Birdcall Restaurants have been met. Because real estate development is an art and not a precise science, you agree that acceptance, or refusal to accept a proposed site by us, whether or not a site review report is completed and/or submitted to us will not impose any liability or obligation on us. The decision whether to develop a particular site is yours, subject to acceptance of the site by us. Preliminary acceptance of a proposed site by any of our representatives is not conclusive or binding, because his or her recommendation may be rejected by us.

29.5 No Warranty. We expressly disclaim the making of, and you acknowledge that you have not received, any warranty or guaranty, express or implied, as to the potential volume, profits or success of the business venture contemplated by this Agreement. We do not, by virtue of any approvals or advice provided to you, assume responsibility or liability to you or any third-party to which we would otherwise not be subject. You have not received from us or our affiliates or anyone acting on our behalf any representations other than those contained in our Franchise Disclosure Document provided to you as inducements to enter this Agreement.

29.6 Other Agreements. We will continue to enter into agreements with other franchisees. The manner in which we enforce our rights and the franchisees' obligations under any of those other agreements will not affect our ability to enforce our rights or your obligations under this Agreement.

29.7 No Refund. The Initial Fees are not refundable for any reason.

29.8 System Modification. We may change or modify the System, from time to time, including the Manual, and you will be required to make such expenditures as those changes or modifications in the System may require.

29.9 No Control. Even though this Agreement contains provisions requiring you to operate the Franchised Restaurant in compliance with the System: **(a)** we and our affiliates do not have actual or apparent authority to control the day-to-day conduct and operation of your business or employment decisions; **(b)** neither you nor we intend for us or our affiliates to incur any liability in connection with or arising from any aspect of the System or your use of the System, whether or not in accordance with the requirements of the Manual; and **(c)** you are the sole employer of your employees and you and we are not joint employers.

29.10 Sole Employer. You will be solely responsible for: **(a)** hiring, training and supervising efficient, competent and courteous employees of good character for the operation of the Franchised Restaurant; **(b)** the terms of their employment and compensation; and **(c)** the proper training of the employees in the operation of the Franchised Restaurant.

29.11 Limitations on Exclusivity. You understand that there are certain limitations to your exclusive rights in the Protected Area during the Term and that, following termination or expiration of the Term, we may develop and operate, or license others to develop and operate Birdcall Restaurants at any location in the Protected Area.

29.12 No Conflict. Your execution of this Agreement does not and will not conflict or interfere, directly or indirectly, intentionally or otherwise, with the terms of any other agreement with any third party to which you, any of your owners or any affiliate of yours is a party, including, but not limited to, any noncompetition provision.

29.13 Jury Waiver. In the event of a dispute between us, you and we have waived our right to a jury trial.

29.14 Receipt of FDD. You acknowledge that you have received our Franchise Disclosure Document at least 14 days prior to your signing this Agreement or payment of any monies to us, or earlier if required by applicable law.

[signature page follows]

IN WITNESS WHEREOF, the parties have executed this Agreement by their duly authorized representatives.

FRANCHISEE:	**BIRDCALL:**
______________________________	**BIRDCALL FRANCHISING LLC**
By: ___________________________	By: ________________________________
Print Name: ____________________	Print Name: __________________________
Title: _________________________	Title: ______________________________
Date: _________________________	Date: ______________________________

EXHIBIT A
FRANCHISE INFORMATION

1. **Franchised Location:** ____
____

2. **Protected Area:** The Protected Area will be: ______________________________
____

3. **Advertising Fund:** The Advertising Fund will be allocated as set forth below, unless and until modified by us as provided in Section 8:

Advertising Expenditure	Percent of Fiscal week Gross Sales to be Paid/Spent
National Brand Fund	Minimum of 2% of Fiscal Week gross sales
Local Advertising Fund	Greater of 1% of Fiscal Week Gross Sales or $1,500 in your local trade area.
Grand Opening Plan	$50,000

4. **Ownership:** If you are a business entity, the following is a list of all holders of a direct or indirect equity interest in you and their respective percentage interests:

Name	Address	Ownership Interest

5. **Operating Principal:** ____

6. **Existing Businesses:**

Name of Business	Description of Business

EXHIBIT B

GUARANTEE AND ASSUMPTION OF FRANCHISEE'S OBLIGATIONS

In consideration of, and as an inducement to, the execution of the Birdcall Franchise Agreement dated as of ________________ ("**Agreement**") by Birdcall Franchising LLC ("**Birdcall**"), entered into with ____ ("**Franchisee**"), the undersigned ("**Guarantor(s)**") hereby personally and unconditionally agree as follows:

1. Guarantee and Assumption of Franchisee's Obligations. Each Guarantor hereby: **(A)** guarantees to Birdcall and its successors and assigns, for the term of the Agreement and thereafter as provided in the Agreement or at law or in equity, that Franchisee and any assignee of Franchisee's interest under the Agreement will: **(i)** punctually pay and perform each and every undertaking, agreement and covenant set forth in the Agreement and **(ii)** punctually pay all other monies owed to Birdcall and/or its affiliates; **(B)** agrees to be personally bound by each and every provision in the Agreement, including, without limitation, the provisions of Section 18 and 23; and **(C)** agrees to be personally liable for the breach of each and every provision in the Agreement.

2. General Release. Each Guarantor (if an individual, on behalf of him/herself and his/her heirs, representatives, successors and assigns, and if a business entity, on behalf of itself and its parent, subsidiaries and affiliates) (collectively, "**Releasors**"), freely and without any influence, forever releases and covenants not to sue Birdcall, its parent, subsidiaries and affiliates and their respective past and present officers, directors, managers, members, shareholders, agents and employees, in their corporate and individual capacities, with respect to any and all claims, demands, liabilities and causes of action of whatever kind or nature, whether known or unknown, vested or contingent, suspected or unsuspected (collectively, "**Claims**"), that any Releasor now owns, has or claims to have or holds, or may in the future own or hold, or at any prior time owned, held, had or claimed to have, based on, arising out of or relating to, in whole or in part, any fact, event, conduct or omissions occurring on or before the date of this Guarantee, including, without limitation, Claims arising under federal, state and local laws, rules and ordinances and Claims arising out of, or relating to this Guarantee, the Agreement and all other agreements between any Releasor and Birdcall or its parent, subsidiaries or affiliates, the sale of any franchise to any Releasor, the development and operation of the Franchised Restaurant and the development and operation of all other restaurants operated by any Releasor that are franchised by Birdcall or its parent, subsidiaries or affiliates. Releasors expressly agree that fair consideration has been given by Birdcall for this release, and they fully understand that this is a negotiated, complete and final release of all claims.

3. General Terms and Conditions. The following general terms and conditions will apply to this Guarantee:

A. Each Guarantor waives: **(i)** acceptance and notice of acceptance by Birdcall of the foregoing undertakings; **(ii)** notice of demand for payment of any indebtedness or nonperformance of any obligations hereby guaranteed; **(iii)** protest and notice of default to any party with respect to the indebtedness or nonperformance of any obligations hereby guaranteed; **(iv)** any right he/she/it may have to require that an action be brought against Franchisee or any other person as a condition of liability; **(v)** all rights to payments and claims for reimbursement or subrogation which any of the undersigned may have against Franchisee arising as a result of the execution of and performance under this Guarantee by the undersigned; **(vi)** any law or statute which requires that Birdcall make demand upon, assert claims against or collect from Franchisee or any others, foreclose any security interest, sell collateral, exhaust any remedies or take any other action against Franchisee or any others prior to making any demand upon, collecting from or taking any action against the undersigned with respect to this Guarantee; **(vii)** any and all other notices and legal or equitable defenses to which he may be entitled; and **(vii) any and all right to have any legal action under this Guarantee decided by a jury.**

B. Each Guarantor consents and agrees that: **(i)** Guarantor's direct and immediate liability under this Guarantee will be joint and several; **(ii)** Guarantor will render any payment or performance required under the Agreement if Franchisee fails or refuses punctually to do so; **(iii)** such liability will not be contingent or conditioned upon pursuit by Birdcall of any remedies against Franchisee or any other person; **(iv)** such liability will not be diminished, relieved or otherwise affected by any amendment of the Agreement, any extension of time, credit or other indulgence which Birdcall may from time to time grant to Franchisee or to any other person including, without limitation, the acceptance of any partial payment or performance or the compromise or release of any claims, none of which will in any way modify or amend this Guarantee, which will be continuing and irrevocable during the term of the Agreement and for so long thereafter as there are monies or obligations owing from Franchisee to Birdcall or its affiliates under the Agreement; and **(v)** monies received from any source by Birdcall for application toward payment of the obligations under the Agreement and under this Guarantee may be applied in any manner or order deemed appropriate by Birdcall. In addition: **(a)** each Guarantor acknowledges that the obligations under this Guarantee will continue to remain in force and effect unless Birdcall in its sole discretion, in writing, releases him/her/it from this Guarantee; and **(b)** following any Transfer, the obligations of each Guarantor under this Guarantee will continue to remain in force and effect unless Birdcall in its sole discretion, in writing, releases the Guarantor from this Guarantee. Notwithstanding the provisions of the previous sentence, unless prohibited by applicable law, the obligations contained in Sections 18.3 of the Agreement will remain in force and effect for a period of 2 years after any such release by Birdcall. A release by Birdcall of any Guarantor will not affect the obligations of any other Guarantor.

C. If Birdcall brings a legal action to enforce this Guarantee, the prevailing party in that proceeding will be entitled to reimbursement of its costs and expenses, including, but not limited to, reasonable accountants', attorneys', attorneys' assistants' and expert witness fees, cost of investigation and proof of facts, court costs, other litigation expenses and travel and living expenses, whether incurred prior to, in preparation for or in contemplation of the filing of any such proceeding. In any judicial proceeding, these costs and expenses will be determined by the court and not by a jury.

D. If Birdcall utilizes legal counsel (including in-house counsel employed by Birdcall or its affiliates) in connection with any failure by the undersigned to comply with this Guarantee, the undersigned will reimburse Birdcall for any of the above-listed costs and expenses incurred by it.

E. Upon the death of a Guarantor, the estate will be bound by this Guarantee for all obligations existing at the time of death. The obligations of the surviving Guarantors will continue in full force and effect.

F. This Guarantee will inure to the benefit of and be binding upon the parties and their respective heirs, legal representatives, successors and assigns. Birdcall interests in and rights under this Guarantee are freely assignable, in whole or in part, by Birdcall. Any assignment will not release the undersigned from this Guarantee.

G. Section 28 of the Agreement is incorporated by reference into this Guarantee and all capitalized terms that are not defined in this Guarantee will have the meaning given them in the Agreement.

IN WITNESS WHEREOF, each of the undersigned has hereunto affixed his signature.

GUARANTORS:

Date: ____________________ ____

Print Name: ______________________________________

Address: ____

Date: ____________________ ____

Print Name: ______________________________________

Address: ____

EXHIBIT C
LEASE ADDENDUM

THIS ADDENDUM to the Lease Agreement dated as of _______________ ("**Lease**") between __________________ ("**Landlord**") and _________________________ ("**Tenant**") is entered into as of the effective date of the Lease.

RECITALS:

Pursuant to the Lease, Landlord will lease or has leased to Tenant certain real property as defined in the Lease ("**Premises**") for the operation of a franchised Birdcall Restaurant ("**Restaurant**").

Tenant will develop and operate the Restaurant pursuant to a franchise agreement ("**Franchise Agreement**") with Birdcall Franchising LLC ("**Birdcall**"), and the Lease is contingent upon Tenant's execution of the Franchise Agreement with Birdcall.

The Franchise Agreement requires, among other things, that the Lease contain certain provisions. Landlord and Tenant desire to modify the Lease to add those required provisions as set forth below.

NOW, THEREFORE, Landlord and Tenant agree to amend the Lease as follows:

1. Effectiveness of Lease Contingent. Notwithstanding anything to the contrary in the Lease, the effectiveness of the Lease is contingent upon Tenant's execution of the Franchise Agreement.

2. Advance Consent to Assignment.

A. Landlord acknowledges that Tenant alone is responsible for all obligations under the Lease unless and until Birdcall or, with Birdcall prior written consent, another Birdcall franchisee expressly assumes in writing those obligations and takes actual possession of the Premises.

B. Notwithstanding anything to contrary in the Lease, Landlord hereby consents, without payment of a fee, without the need for further Landlord consent and without any increase in rent or other charges payable to Landlord, to: **(1)** Birdcall or another Birdcall franchisee succeeding to Tenant's interest in the Lease by mutual agreement of Birdcall and Tenant, as a result of Birdcall exercise of rights under the Franchise Agreement or following a cure of Tenant's default pursuant to Section 4; and/or **(2)** the assignment of the Lease to another Birdcall franchisee that has entered into a Birdcall Franchise Agreement for the Restaurant. Birdcall will be released from all liability under the Lease or otherwise accruing after the date of the assignment. Landlord further agrees that all unexercised renewal or extension rights and other rights stated to be personal to Tenant will not be terminated in the event of any assignment, but will inure to the benefit of the applicable assignee.

3. Landlord Consent to Use of Proprietary Marks. Landlord consents to Tenant's use of the proprietary signs, distinctive exterior and interior designs, colors and layouts and the trademarks prescribed by Birdcall ("**Proprietary Marks**") and, upon expiration or the earlier termination of the Lease or the Franchise Agreement, consents to permit Tenant, at Tenant's expense, to remove all of those items and other trade fixtures, so long as Tenant makes repairs to the Premises caused by the removal.

4. Notice and Cure Rights of Birdcall. Prior to exercising any remedies under the Lease (except in the event of imminent danger to the Premises), Landlord will give Birdcall written notice of any default by Tenant. Commencing upon Birdcall receipt of the notice, Birdcall will have, in addition to the prescribed applicable cure period granted to Tenant, a cure period of no less than: **(A)** with respect to monetary defaults, 10 days after Birdcall receipt of notice; or **(B)** with respect to non-monetary defaults, 30 days after Birdcall receipt of notice. Landlord agrees to accept the cure tendered by Birdcall as if the same was tendered by Tenant, but Birdcall has no obligation to cure the default. Birdcall notice address is Birdcall Franchising LLC ____________________________ ____.

5. Tenant's De-Identification Rights. Landlord agrees that, following expiration or earlier termination of the Lease or the Franchise Agreement, Tenant will have the right to make those alterations and modifications (including removal and demolition of improvements installed by Tenant or Birdcall, if necessary) to the Premises as may be necessary to distinguish to the public the Premises from a Birdcall Restaurant and to make those specific additional changes as Birdcall may require for that purpose.

6. Birdcall Right to Enter. Following reasonable notice to Landlord, Birdcall will have the right to enter the Premises to make any modifications or alternations necessary to protect the Birdcall brand and the Proprietary Marks and have the right, but not the obligation, to cure any Tenant default under the Lease within the time period set forth in Section 4 and charge Tenant for all costs incurred by Birdcall in making those modifications or alternations and for curing any default, without being guilty of trespass or other tort. In addition, upon the expiration or earlier termination of the Lease or the Franchise Agreement, if Tenant fails to make the necessary alternations and modifications to the Premises in accordance with this Section 6, Birdcall or its designee will have the right to do so.

7. Failure to Exercise Term Renewal or Extension. If Tenant fails to exercise, for any reason, any term renewal or term extension right under the Lease, Birdcall may exercise that right, and upon Birdcall exercise of that right, Tenant agrees that the Lease will be deemed transferred and assigned to Birdcall, effective upon the commencement of the renewal or extension term, without any further action of the parties, and Landlord consents to the transfer and assignment. If Tenant fails to exercise, for any reason, any purchase option or right of first refusal or similar right under the Lease, Birdcall may exercise that right, and upon Birdcall exercise of that right, Tenant agrees that the right will be deemed transferred and assigned to Birdcall without any further action of the parties, and Landlord consents to that transfer and assignment. Landlord and Tenant acknowledge that Birdcall exercise of the foregoing rights is subject to Tenant's right to exercise those rights, and that if Tenant legally exercises that right within the time permitted under the Lease, Birdcall exercise of the rights, whether before or after Tenant's exercise, will be void.

8. Third Party Beneficiary. Birdcall is a third party beneficiary of the Lease and this Addendum and, consequently, will have all right (but not the obligation) to enforce the same. Birdcall acceptance of the Lease (as amended by this Addendum) only indicates that the Lease meets Birdcall minimum criteria, and the parties agree that Birdcall acceptance of the Lease will not, in and of itself, impose any liability or obligation on Birdcall.

9. Amendments. Landlord and Tenant agree that the Lease may not be amended without Birdcall prior written consent. Landlord and Tenant agree to provide Birdcall (at the same time as sent to the other party) copies of all proposed amendments to the Lease, true and correct copies of the signed amendments and any other material documents, correspondence or notices relating to the Lease or the Premises.

10. Application; Conflict; Limited Modification. The terms of this Addendum will apply during the entire term of the Lease, including any renewal or extension term. To the extent that there is a conflict between the terms of the Lease and this Addendum, the terms of this Addendum will control. Except as expressly modified by this Addendum, the Lease remains unmodified and in full force and effect.

11. Counterparts and Signatures. This Addendum may be executed in counterparts, and each counterpart so executed and delivered will be deemed an original. This Addendum may be signed using electronic signatures and records and those signatures will have full legal force and effect.

IN WITNESS WHEREOF, the parties have duly executed, sealed and delivered this Addendum as of the day and year first above written.

TENANT:	**LANDLORD:**
By:____________________	By:____________________
Print Name:________________	Print Name:________________
Title:____________________	Title:____________________
Date:____________________	Date:____________________

EXHIBIT C

DEVELOPMENT AGREEMENT

BIRDCALL DEVELOPMENT AGREEMENT

____
Developer

____
Effective Date

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BIRDCALL DEVELOPMENT AGREEMENT

This Development Agreement ("**Agreement**") is made as of ________________________ ("**Effective Date**") by and between Birdcall Franchising LLC ("**Birdcall**," "**we**" or "**us**"), a Colorado limited liability company with a principal business address at 855 Wyandot Street, Suite 102, Denver, CO 80204 and ________________________ ("**Developer**," "**you**" or "**your**"), a ______________ with a principal business address at ________________________________.

RECITALS

We and our affiliates have developed a distinctive format, appearance and set of specifications and operating procedures (collectively, "**System**") relating to the development, establishment and operation of restaurants identified by the Marks (as defined below) that feature 100% all-natural crispy chicken, plus salads and other made-to-order meals ("**Birdcall Restaurants**") for dine-in and take-out service.

The distinguishing characteristics of the System include, but are not limited to, our décor, layout, color schemes and designs (collectively, "**Trade Dress**"); our menu items, recipes and food preparation and service techniques; our standards and specifications for equipment, equipment layouts and interior and exterior accessories; and the accumulated experience reflected in our training program, operating procedures and standards and specifications. We may periodically change, improve, add to and further develop the elements of the System.

The System is identified by means of the "**Birdcall**" name and mark and certain other names, marks, logos, insignias, slogans, emblems, symbols and designs that have been designated, or may in the future be designated, for use with the System (collectively, "**Marks**"). We have the right to use, and permit our franchisees to use, the Marks. We may modify the Marks, including the principal Marks.

You desire to be granted the opportunity, subject to the terms and conditions of this Agreement, to develop franchised Birdcall Restaurants ("**Franchised Restaurants**") within the geographic area described in attached Exhibit A ("**Development Area**").

You understand and acknowledge the importance of our high and uniform standards of quality, operations and service and the necessity of developing and operating the Franchised Restaurants in strict conformity with this Agreement and our confidential operating manuals ("**Manual**").

We are willing to grant you the opportunity to develop Franchised Restaurants in the Development Area, subject to the terms and conditions of this Agreement.

NOW, THEREFORE, the parties agree as follows:

1. Development Rights and Obligations.

1.1 Grant and Development Area. We hereby grant to you, subject to the terms and conditions of this Agreement, the right to develop Franchised Restaurants in the Development Area during the term of this Agreement ("**Development Term**"). The Development Term begins on the Effective Date and, unless this Agreement is terminated at an earlier date as provided in Section 12, expires on the first to occur of: **(a)** the date that the last Franchised Restaurant is required to be opened pursuant to the development schedule in attached Exhibit A ("**Development Schedule**"); or **(b)** the date that the last Franchised Restaurant required by the Development Schedule opens for business. There is no renewal term for this Agreement. You may only develop a Franchised Restaurant at a specific location in the Development Area accepted by us ("**Authorized Site**").

1.2 Development Rights Only. This Agreement is not a license or franchise agreement. It does not give you the right to operate Franchised Restaurants or use the System or the Marks, nor does it give you any right to license others to operate Birdcall Restaurants. This Agreement only gives you the opportunity to enter into Franchise Agreements for the operation of Franchised Restaurants at Authorized Sites. Each Franchised Restaurant developed pursuant to this Agreement must be established and operated in strict accordance with a separate Franchise Agreement.

2. Limited Territorial Protection.

2.1 Provided you are in compliance with this Agreement, during the Development Term, we will not operate, or license others to operate, a Birdcall Restaurant in the geographic area described in Exhibit A ("**Development Area**"). Notwithstanding this grant of limited exclusivity, during the Development Term, we may, among other things:

2.1.1 Operate and license others to operate Birdcall Restaurants in the Development Area that are located in transportation facilities (including airports, train stations, subways, ferry terminals, rail and bus stations and other public transportation facilities); military bases and government offices; sports facilities (including stadiums and arenas); toll road plazas, highway rest areas and travel centers; universities, schools and educational facilities; hospitals and other health care facilities; amusement parks and recreational theme parks; museums; Indian reservations; casinos and other entertainment or tourist facilities; any location in which foodservice is or may be provided by a master concessionaire; and any other similar location we believe, in the exercise of our reasonable judgment, to be a captive market location.

2.1.2 Manufacture, distribute and sell at wholesale or retail, or license others to manufacture, distribute and sell at wholesale or retail, merchandise, products and services, whether or not authorized for sale at Birdcall Restaurants, under the Marks in the Development Area through any channel of distribution, other than a restaurant.

2.1.3 Operate and license others to operate delivery kitchens devoted to the preparation of products authorized for sale at Birdcall Restaurants (often referred to as ghost, dark or cloud kitchens), which may use the Marks and may deliver to customers regardless of their location.

2.1.4 Merchandise and distribute products identified by any of the Marks to foodservice businesses in the Development Area (other than Birdcall Restaurants), provided those foodservice businesses are not licensed to use the Marks in connection with their retail sales.

2.1.5 Develop and/or own other franchise systems for the same or similar products and services using trade names and trademarks other than the Marks.

2.1.6 Sell and distribute, or license others to sell and distribute, directly or indirectly, products identified by any of the Marks at special events in the Development Area.

2.1.7 Purchase, be purchased by, merge or combine with, businesses that directly compete with Birdcall Restaurants.

2.2 Except as reserved in Section 2.1, we will not, during the Development Term, operate or franchise others to operate Birdcall Restaurants in the Development Area, provided you are in compliance with the terms of this Agreement and any other agreements with us or our affiliates, and you are current on all obligations due to us and our affiliates. This Section 2 does not prohibit us or our affiliates from: **(a)** operating, or licensing others to operate, during the Development Term, Birdcall Restaurants at any location outside of the Development Area; or **(b)** operating, or licensing others to operate, after the Development Term terminates or expires, Birdcall Restaurants at any location, including locations in the Development Area.

2.3 The restrictions contained in this Section 2 do not apply to Birdcall Restaurants in operation, under lease or construction or other commitment to open in the Development Area as of the Effective Date.

3. Development Schedule.

3.1 Your Development Obligations. During the Development Term, you must develop, open and continuously operate in the Development Area the number of Franchised Restaurants specified in the Development Schedule. For each Franchised Restaurant to be developed during the Development Term, you must obtain our written acceptance of the site by the applicable site acceptance date listed in the Development Schedule ("**Site Acceptance Date**") and develop and open the Franchised Restaurant by the applicable opening date listed in the Development Schedule ("**Opening Date**"). Your strict compliance with the Development Schedule is essential to this Agreement. Any failure by you in fulfilling your obligations to obtain site acceptance for a Franchised Restaurant by the applicable Site Acceptance Date or develop and open a Franchised Restaurant by the applicable Opening Date will constitute a material, non-curable breach of this Agreement, which will permit us to terminate this Agreement immediately by giving you written notice of termination. **TIME IS OF THE ESSENCE.**

3.2 Effect of Sale of a Franchised Restaurant. If, during the Development Term, you sell (and we consent to the sale of) a Franchised Restaurant developed pursuant to this Agreement, and you are not in default of the Franchise Agreement for that Franchised Restaurant, we will continue to count that restaurant as a Franchised Restaurant under the Development Schedule, provided that the restaurant continues to be operated pursuant to a franchise agreement with us.

3.3 Affiliated Entity. At your request, we will permit the Franchise Agreement for any Franchised Restaurant in the Development Area to be executed by a business entity formed by you to develop and operate the Franchised Restaurant ("**Affiliated Entity**"), provided all of the following conditions are met: **(a)** you and your owners own at least 51% of the ownership interests in the Affiliated Entity; **(b)** the Affiliated Entity conducts no business other than the operation of the Franchised Restaurant; **(c)** you and your owners agree to assume full and unconditional liability for, and agree to perform all obligations, covenants and agreements contained in, the Franchise Agreement; **(d)** the Affiliated Entity and all those with ownership interests in the Affiliated Entity meet our financial, operational and other standards, as determined by us in our sole discretion, and you provide us all reasonably requested information to permit us to make that determination; and **(e)** you make the request in writing and provide us a copy of the Affiliated Entity's governing documents and any other information required by this Section 3.3 at the time that you submit the applicable site acceptance package.

4. Development Fee. At the time that this Agreement is executed, you will pay us development fees ("**Development Fees**") as set forth below. Simultaneously with signing this Agreement, you will sign a Franchise Agreement for the first Franchised Restaurant. The total amount of the Development Fee paid by you is set forth in Exhibit A. The Development Fee is fully earned by us when this Agreement is signed and is not refundable but it will be credited against then current initial franchise fee when you sign the Franchise Agreement.

Development Fees:

No. of Franchised Businesses	Development Fees
1 - 2	$50,000/each
3 - 4	$45,000/each
5 – 9	$40,000/each
10+	$35,000/each

5. Development Procedures.

5.1 Your Responsibility. You assume all cost, liability and expense for locating, obtaining and developing sites for Franchised Restaurants and constructing and equipping Franchised Restaurants at Authorized Sites as required by our standards. You may not make any binding commitments to purchase or lease a site until we have accepted the site in writing. If requested by us, you will develop and submit to us a business plan for the length of the Development Term. The business plan must outline the actions you will take to ensure the development and management of Franchised Restaurants in accordance with our standards. If prepared, during the Development Term, you agree to revise the business plan as requested by us and further agree to implement the business plan as accepted by us.

5.2 Site Selection Assistance. We may provide you with the following site selection assistance: **(a)** our site selection guidelines and, as you may request, a reasonable amount of consultation with respect thereto; and **(b)** an on-site evaluation and you must reimburse us for all travel, living and other expenses incurred by our representatives in connection with our on-site evaluation.

5.3 Site Information and Evaluation. For each proposed site, you must submit to us a site review report consisting of a description of the site, photographs, demographic information, site characteristics (including access and egress points and the amount of road traffic), other restaurant options in the area, and any other information that we may require, including, but not limited to, a letter of intent or other evidence satisfactory to us, which confirms your favorable prospects for obtaining the site. In addition, we may require a site analysis prepared by a third party vendor at your expense. We reserve the right to designate the third party vendor used to prepare the site analysis. We or the third party vendor may conduct an on-site evaluation of the proposed site at your expense before deciding whether to accept the site.

5.4 Site Acceptance.

5.4.1 Within 60 days after our receipt of a complete (as determined by us) site review report, we will review that information, evaluate the proposed site and advise you in writing whether we have accepted the site; however, we have no obligation to review any site review report if you or your affiliates are not in full compliance with all agreements with us and/or our affiliates. If we do not respond within that time period, we will be deemed to have rejected the site. Our acceptance or rejection of a site may be subject to reasonable conditions as we determine in our sole discretion.

5.4.2 In order to preserve and enhance the reputation and goodwill of the System and all Birdcall Restaurants and the goodwill of the Marks and the Trade Dress, all Birdcall Restaurants must be properly developed, operated and maintained. Accordingly, we may refuse to accept a site for a proposed Franchised Restaurant unless you demonstrate sufficient financial capabilities, in our sole judgment, applying standards consistent with criteria that we use to establish restaurants in other comparable market areas, to properly develop, operate and maintain the proposed Franchised Restaurant. To that end, you must provide us with those financial statements and other information regarding you, your Affiliated Entity (if applicable) and the development and operation of the proposed Franchised Restaurant, including, without limitation, investment and financing plans for the proposed Franchised Restaurant, as we may reasonably require.

5.4.3 Our acceptance of a site does not constitute a representation or warranty of any kind, express or implied, of the site's suitability for a Birdcall Restaurant or any other purpose. Our acceptance indicates only that we believe that the site meets our then-current site selection criteria. Applying criteria that have appeared effective with other sites might not accurately reflect the potential for all sites, and demographic and/or other factors included in or excluded from our criteria could change, altering the potential of a site. The uncertainty and instability of these criteria are beyond our control, and we are not responsible if a site we accept fails to meet your expectations. Your submission of a proposed site for our acceptance is based on your own independent investigation of the site's suitability for a Franchised Restaurant.

5.5 Execution of Franchise Agreements. If we accept the site for a Franchised Restaurant, we will prepare and forward to you a Franchise Agreement for the Authorized Site. The form of Franchise Agreement for the Franchised Restaurants to be developed by you pursuant to this Agreement will be the standard form in general use at the time that we accept the site for the applicable Franchised Restaurant. Within 15 days, or such longer period required to comply with any franchise law or regulation, after you receive the Franchise Agreement, the Affiliated Entity or you, as applicable, must sign the Franchise Agreement and return it to us along with the then current initial franchise fee and other initial fees. We will countersign the Franchise Agreement when we authorize the opening of the Franchised Restaurant. Nevertheless, the partially executed Franchise Agreement for each Franchised Restaurant will govern the development, construction and opening of the Franchised Restaurant. While developing the Franchised Restaurant, the Affiliated Entity or you, as applicable, must have in place the insurance required by the Franchise Agreement.

5.6 Training By You. You will conduct that initial and continuing training programs for your employees as we may periodically require.

6. Lease Provisions. You must obtain our consent to the proposed sublease, lease or purchase contract (collectively, "lease") for the Franchised Location prior to its execution. The lease must, in form and substance, be satisfactory to us and may not contain any covenants or other obligations that would prevent you from performing your obligations under this agreement. In addition, the landlord and you must execute our standard Lease Addendum. The insurance required by section 14.2 must be in effect when you take possession of the Franchised Location.

Our consent to the lease does not constitute a warranty or representation of any kind, express or implied, as to its fairness or suitability or as to your ability to comply with its terms, and we do not assume any liability or responsibility to you or to any third parties due to our consent. You must deliver a copy of the fully signed lease to us within 7 days after its execution. You may not begin construction of the Franchised Restaurant until we have received a copy of the fully-executed lease.

7. Your Organization.

7.1 Governing Documents.

7.1.1 If you are (or Transfer your interests in this Agreement to) a business entity, during the Development Term, your (or the transferee's) governing documents must provide that your (or its) activities are limited exclusively to the development of Franchised Restaurants and other restaurants operated by you that are franchised by us and that no Transfer (as defined in Section 9) of an ownership interest may be made except in accordance with Section 9. Any stock or other ownership certificates that you issue must bear a conspicuous printed legend to that effect.

7.1.2 You represent that you have furnished us with a list of all holders of direct or indirect equity interests in you and their respective percentage interests, as well as copies of your governing documents (and any amendments thereto) and any other corporate documents, books or records that we may request, and that all such information is current as of the date on which you sign this Agreement. Your direct and indirect owners and their respective equity interests as of the Effective Date are identified in Exhibit A. You must promptly update this information as changes occur.

7.2 Operating Principal. You must appoint an individual to serve as your Operating Principal. The Operating Principal: **(a)** must be accepted by us; **(b)** must be a 10% Owner (as defined in Section 7.3); **(c)** must live within a reasonable driving distance of the Development Area: and **(d)** must devote full-time and best efforts to supervising the development and operation of the Franchised Restaurants. The Operating Principal as of the Effective Date is identified in Exhibit A. The Operating Principal must complete our initial training program, have authority over all business decisions related to this Agreement and have the authority to bind you in your dealings with us. We will provide all services to, and communicate primarily with, the Operating Principal. You must obtain our prior written consent before you change the Operating Principal. If the Operating Principal no longer qualifies, you must designate another qualified person to act as the Operating Principal within 30 days after the date the prior Operating Principal ceases to be qualified. We will advise you whether we have consented to the new Operating Principal within a reasonable time after receipt of your notice. If we do not consent, you will have 15 days from your receipt of our decision to designate another person to act as Operating Principal who satisfies the preceding qualifications.

7.3 Guarantees. All holders of direct or indirect equity interests in you of 10% or more ("**10% Owners**") must jointly and severally guarantee your payment and performance under this Agreement and must bind themselves to the terms of this Agreement pursuant to the Guarantee and Assumption of Developer's Obligations attached as Exhibit B ("**Guarantee**"). Notwithstanding the foregoing, we reserve the right, in our sole discretion, to waive the requirement that some or all of the 10% Owners execute the Guarantee and/or to limit the scope of the Guarantee. We reserve the right to require that any guarantor provide personal financial statements to us from time to time.

You acknowledge that, unless otherwise agreed to in writing by us, it is our intent to have individuals (and not corporations, limited liability companies or other business entities) execute the Guarantee. Accordingly, if any 10% Owner is not an individual, we will have the right to have the Guarantee executed by individuals who have only an indirect ownership interest in you. (By way of example, if a 10% Owner is a corporation, we have the right to require that the Guarantee be executed by individuals who have an ownership interest in that corporation who indirectly own at last a 10% interest in you.)

If you, any guarantor or any parent, subsidiary or affiliate of yours holds any interest in other businesses that are franchised by us or our affiliates, at our request, the party who owns that interest will execute, concurrently with this Agreement, a form of cross-guarantee to us for the payment of all obligations for those businesses, unless waived in writing by us in our sole discretion. For purposes of this Agreement, an affiliate of yours is any company controlled, directly or indirectly, by you, your owners or your parent or subsidiary.

8. Transfers by Us. We have the unrestricted right to transfer or assign ownership interests in us and all or any part of our interest in this Agreement to any person or legal entity without your consent. You agree that we will have no liability after the effective date of transfer or assignment for the performance of, or any failure to perform, any obligations transferred. We also have the right to delegate to others the performance of any of our duties under this Agreement.

9. Transfers by You.

9.1 Definition of Transfer. For purposes of this Agreement, "**Transfer**" means any sale, assignment, transfer, conveyance, merger, give away, pledge, mortgage or other encumbrance, either voluntarily or by operation of law (such as through divorce or bankruptcy proceedings) of: **(a)** any interest in this Agreement; **(b)** any direct or indirect ownership interests in you; or **(c)** substantially all of your assets pertaining to your operations under this Agreement.

9.2 No Transfer Without Our Consent. This Agreement is personal to you and we have selected you as a developer based on our reliance on your (and your direct and indirect owners') character, skill, aptitude and business and financial capacity. Neither you nor any of your direct or indirect owners may undertake any Transfer or permit any Transfer to occur without obtaining our prior written consent. The decision as to whether to consent to a Transfer will be made in the exercise of our business judgment, but our consent will not be unreasonably withheld. We have the right to communicate with and counsel you, your direct and indirect owners and the proposed transferee on any aspect of a proposed Transfer. You agree to provide any information and documentation relating to the proposed Transfer that we reasonably require, including, but not limited to, a copy of the proposed offer. Unless otherwise agreed, we do not waive any claims against the transferring party if we consent to a Transfer.

9.3 Transfer Generally. Except as otherwise provided in this Section 9, if you or your direct or indirect owners propose to undertake a Transfer, the following conditions apply (unless waived by us):

9.3.1 You and your direct and indirect owners must:

(a) Be in compliance with all obligations to us under this Agreement and any other agreements you have with us, our affiliates, any lenders that have provided financing to you and your major suppliers as of the date of the request for our consent to the Transfer.

(b) Pay to us a Transfer fee of $5,000 to reimburse us for our reasonable costs and expenses incurred in reviewing and documenting the Transfer, including legal and accounting fees, provided that you will not be required to pay us a Transfer fee in connection with a Transfer undertaken in accordance with Section 9.5.

(c) Make the Transfer only in conjunction with a simultaneous Transfer of the same rights and interest with respect to all agreements with us in the Development Area.

(d) Advise us in writing of any proposed Transfer, submit (or cause the proposed transferee to submit) a franchise application for the proposed transferee, submit a copy of all contracts and all other agreements or proposals and submit all other information requested by us relating to the proposed Transfer.

9.3.2 The proposed transferee (and, if the proposed transferee is a business entity, all persons that have any direct or indirect ownership interest in the proposed transferee as we may require) must demonstrate to our satisfaction extensive experience in high quality restaurant operations of a character and complexity similar to Birdcall Restaurants; must meet the managerial, operational, experience, quality, character and business standards for a developer promulgated by us from time to time; must possess a good character, business reputation and credit rating; must have an organization whose management culture is compatible with our management culture; and must have adequate financial resources and working capital to meet the development obligations under this Agreement. If the proposed transferee is an existing Birdcall developer or franchisee, the transferee and its direct and indirect owners must not be in default under their agreements with us and must have substantially complied with our operating standards.

9.3.3 An assignment agreement and/or any other agreements that we require to reflect the Transfer must be signed by the transferor and the proposed transferee. In addition, we may require, at our option, that amendments to this Agreement or our then-current standard form of development agreement (for a term ending on the expiration of the Development Term) be signed.

9.3.4 You, your 10% Owners, all of your guarantors under this Agreement and the transferee must execute a general release, in a form prescribed by us, of all claims against us, our affiliates and our and their past, present and future affiliates, officers, directors, members, managers, shareholders, agents and employees. You, your 10% Owners and your guarantors under this Agreement will remain liable to us for all obligations arising before the effective date of the Transfer.

9.3.5 The price and other proposed terms of the Transfer must not, in our reasonable business judgment, have the effect of negatively impacting the prospect for timely completion of the Development Schedule or the future viability of the Franchised Restaurants.

9.3.6 If the transferee is a business entity, those persons or entities designated by us, which may include, but are not limited to, those with a direct or indirect ownership interest of 10% or more in the transferee, must execute our then-current form of Guarantee.

9.3.7 Each of your affiliates that have entered into a development or franchise agreement with us must, as of the date of the request for our consent to the Transfer, be in compliance with all obligations to us under those agreements and with all obligations under any agreement with any lenders that have provided financing pursuant to an arrangement with us.

9.4 Transfer of Partial Ownership Interest. If you propose to admit a new owner who will have less than a 10% ownership interest in you, remove an existing owner or change the distribution of ownership interests among your owners, you must give us advance notice and submit a copy of all proposed contracts and other information concerning the Transfer that we may request. You must also pay to us a Transfer fee as provided in Section 9.3.1(b). We may withhold our consent on any reasonable grounds or give our consent subject to reasonable conditions, including the conditions in Sections 7.1, 9.3.1(a) and 9.3.4. Any new owner must submit a franchise application and, if applicable, execute our then-current form of Guarantee.

9.5 Transfer for Convenience of Ownership. If you are an individual or a partnership, we will consent to the Transfer of this Agreement to a business entity that you form for the convenience of ownership, provided that: **(a)** the entity has and will have no business other than the development and operation of Franchised Restaurants; **(b)** you comply with the requirements in

Sections 7.1, 9.3.1(a), 9.3.3, 9.3.4 and 9.3.6; **(c)** your owners hold equity interests in the new entity in the same proportion shown on Exhibit A; and **(d)** the top-level management of your organization does not change. You will not be required to pay a transfer fee for a Transfer under this Section 9.5.

9.6 Transfer upon Death or Permanent Incapacity. If the Transfer is a transfer of direct or indirect ownership interests in you following the death or permanent incapacity (as reasonably determined by us) of a person that has a direct or indirect ownership interest in you, that person's executor, administrator or personal representative must apply to us in writing within 3 months after the death or declaration of permanent incapacity for consent to Transfer the person's interest. The Transfer will be subject to the provisions of Sections 9.3 and 9.4, as applicable. In the case of Transfer by bequest or by intestate succession, if the heirs or beneficiaries are unable to meet the conditions of Section 9.3 or 9.4, as applicable, the executor may Transfer the decedent's interest to another successor that we have accepted, subject to all of the terms and conditions for Transfers contained in this Agreement. If an interest is not disposed of under this Section 9.6 within 6 months after the date of death or appointment of a personal representative, we may terminate this Agreement without opportunity to cure.

9.7 Securities Offerings. If you are a business entity, ownership interests in you may be sold, by private or public offering, only with our prior written consent (whether or not our written consent is required under any other provision of this Section), which consent will not be unreasonably withheld. In addition to the requirements of Section 9.3 or 9.4, as applicable, prior to the time that any public offering or private placement of securities or ownership interests in you is made available to potential investors, you, at your expense, must deliver to us a copy of the offering documents. You, at your expense, also must deliver to us an opinion of your legal counsel (addressed to us and in a form acceptable to us) that the offering documents properly use the Marks and accurately describe your relationship with us and/or our affiliates. The indemnification provisions of Section 14.1 will also include any losses or expenses incurred by us and/or our affiliates in connection with any statements made by or on behalf of you in any public or private offering of your securities.

9.8 Non-Conforming Transfers. Any purported Transfer that is not in compliance with this Section 9 is null and void and constitutes a material breach of this Agreement, for which we may terminate this Agreement without an opportunity to cure. 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.

9.9 Right of First Refusal. We have the right, exercisable within 30 days after receipt of the notice (and information) specified in Section 9.2, to send written notice to you that we intend to purchase the interest or assets proposed to be transferred. We may assign our right of first refusal to someone else either before or after we exercise it. However, our right of first refusal will not apply with regard to Transfers under Section 9.5 or Transfers to the spouse or the adult child of a direct or indirect owner in you (including Transfers to a spouse, son or daughter as a result of death or permanent incapacity as described in Section 9.6), provided that the transferees meet all criteria required of new franchisees.

9.9.1 If the Transfer is proposed to be made pursuant to a sale, we or our designee may purchase the interest proposed to be transferred on the same economic terms and conditions offered by the third-party. Closing on our purchase must occur within 60 days after the date of our notice to the seller electing to purchase the interest (or, if the parties cannot agree on the cash equivalent, as provided in the next sentence, within 60 days after the appraiser's determination). If we cannot reasonably be expected to furnish the same consideration as the third-party, we may substitute the reasonable equivalent in cash. If the parties cannot agree within 30 days on the reasonable equivalent in cash, we and you will each select a professionally certified appraiser and the two selected appraisers will select a third professionally certified appraiser to determine the fair market value of the interest proposed to be transferred. The third appraiser will appraise the fair market value of the interest proposed to be transferred and the value set by the third appraiser will be conclusive. Closing on the purchase will occur within 30 days after our notice to the transferor of the appraiser's determination of fair market value. The appraisers' fees and costs will be borne equally by us and you. Any material change in the terms of the offer from a third party after we have elected not to purchase the seller's interest will constitute a new offer subject to the same right of first refusal as the third party's initial offer.

9.9.2 If a Transfer is proposed to be made by gift, we and you will each select a professionally certified appraiser and the two selected appraisers will select a third professionally certified appraiser to determine the fair market value of the interest proposed to be transferred. The third appraiser will appraise the fair market value of the interest proposed to be transferred and the value set by the third appraiser will be conclusive. We may purchase the interest at the fair market value determined by the appraiser. Closing on the purchase will occur within 30 days after our notice to the transferor of the appraiser's determination of fair market value. The appraisers' fees and costs will be borne equally by us and you. Any material change in the terms of the offer from a third party after we have elected not to purchase the seller's interest will constitute a new offer subject to the same right of first refusal as the third party's initial offer.

9.9.3 At any point, we may decline to exercise our rights under this Section. The decision by us and/or our designee to decline to exercise our right of first refusal will not constitute our consent to the proposed Transfer or a waiver of any other provision of this Section 9 with respect to the proposed Transfer. If we elect not to exercise our rights under this Section, the transferor may not complete the Transfer until he has complied with this Section 9. Closing of the Transfer must occur within 60 days of our election (or that longer period as applicable law may require); otherwise, the third-party's offer will be treated as a new offer subject to our right of first refusal. The Transfer is conditional upon our determination that the Transfer was completed on terms substantially the same as those offered to us. You must provide to us copies of all fully-executed agreements and any other information we request relating to the Transfer.

10. General Release. You (on behalf of yourself and your parent, subsidiaries and affiliates) (collectively, "Releasors") freely and without any influence forever release and covenant not to sue us, our parent, subsidiaries and affiliates and their and our respective past and present officers, directors, shareholders, members, managers, agents and employees, in their corporate and individual capacities, with respect to any and all claims, demands, liabilities and causes of action of whatever kind or nature, whether known or unknown, vested or contingent, suspected or unsuspected (collectively, "Claims"), that any Releasor now owns, has or claims to have or holds, or may in the future own or hold, or at any prior time owned, held, had or claimed to have, based on, arising out of or relating to, in whole or in part any fact, event, conduct or omission occurring on or before the Effective Date, including, without limitation, Claims arising under federal, state and local laws, rules and ordinances and Claims arising out of, or relating to this Agreement and all other agreements between any Releasor and us or our parent, subsidiaries or affiliates, the sale of any franchise to any Releasor, the development and operation of the Franchised Restaurants and the development and operation of all other restaurants operated by any Releasor that are franchised by us. Releasors expressly agree that fair consideration has been given by us for this release, and they fully understand that this is a negotiated, complete and final release of all claims.

Notwithstanding the foregoing, claims arising from representations in the Birdcall Franchise Disclosure Document, or its exhibits or amendments, are expressly excluded from this release.

11. **Covenants**.

11.1 Confidential Information. During and after the Development Term, you may not communicate, divulge or use for any purpose other than the development and/or operation of the Franchised Restaurants, any confidential information, knowledge, trade secrets or know-how which may be communicated to you or which you may learn by virtue of this Agreement or the operation of the Franchised Restaurants. You may divulge confidential information only to your professional advisers, your employees who must have access to the information to develop or operate the Franchised Restaurants, your contractors and your landlords, provided that you obtain our prior consent. All information, knowledge and know-how relating to us, our business plans or the System are deemed confidential for purposes of this Agreement, except information that you can demonstrate came to your attention by lawful means prior to our disclosure, or that is or becomes a part of the public domain other than through you. At our request, you will require your employees and any other person or entity to whom you wish to disclose any confidential information, to sign agreements providing that they will maintain the confidentiality of the disclosed information. The agreements, which may be provided by us, must be in a form satisfactory to us and must identify us as a third-party beneficiary with the independent right to enforce the agreements.

11.2 Restrictions During the Development Term. You acknowledge and agree that: **(a)** pursuant to this Agreement, you will have access to valuable trade secrets, specialized training and confidential information from us and our affiliates regarding the development, operation, management, purchasing, sales and marketing methods and techniques of the System; **(b)** the System and the opportunities, associations and experience established by us and acquired by you under this Agreement are of substantial and material value; **(c)** in developing the System, we and our affiliates have made and continue to make substantial investments of time, technical and commercial research and money; **(d)** we would be unable to adequately protect the System and its trade secrets and confidential information against unauthorized use or disclosure and would be unable to adequately encourage a free exchange of ideas and information among Birdcall Restaurants if franchisees were permitted to hold interests in competitive businesses; and **(e)** restrictions on your right to hold interests in, or perform services for, competitive businesses will not hinder your activities. Accordingly, you agree that, during the Development Term, you will not, without our prior written consent, either directly or indirectly through any other person or entity:

11.2.1 Divert or attempt to divert any business or customer, or potential business or customer, of any Birdcall Restaurant to any Competitive Business (as defined in Section 11.2.4).

11.2.2 Directly or indirectly own, manage, engage in, advise, make loans to, be employed by, assist or have any interest in any Competitive Business (as defined in Section 11.2.4).

11.2.3 During the Development Term, there is no geographical limitation on these restrictions.

11.2.4 As used in this Agreement, the term "**Competitive Business**" means any business, store, restaurant or location whose sales of chicken products are reasonably likely to account for 10% or more of the food sales of the business in any calendar month. Notwithstanding the foregoing, the term "**Competitive Business**" does not include those businesses in which any of your owners or you have a direct or indirect, legal or beneficial interest and: **(a)** that had been in operation prior to the date of the first franchise-related agreement between you and us; or **(b)** that your owners or you had contracted to develop prior to the date of the first franchise-related agreement between you and us, provided those businesses are listed in Exhibit A ("**Existing Businesses**").

11.3 Restrictions After Termination, Expiration or Transfer. In light of your acknowledgments and agreements as set forth in Section 11.2, you agree as follows:

11.3.1 For a period of 2 years following the expiration or termination of this Agreement or a Transfer, you covenant and agree that you will not directly or indirectly own, manage, engage in, advise, make loans to, be employed by, assist or have any interest in any Competitive Business that is (or is intended to be) located in, or within 10 miles of the border of, the Development Area or within 10 miles of any other Birdcall Restaurant.

11.3.2 For a period of 2 years following the expiration or termination of this Agreement or a Transfer, you further covenant and agree that you will not, either directly or indirectly, for yourself, or through, on behalf of, or in conjunction with any person, firm, partnership, corporation, or other entity, sell, assign, lease or transfer any Authorized Site to any person, firm, partnership, corporation, or other entity which you know, or have reason to know, intends to operate a Competitive Business at that Authorized Site. You, by the terms of any conveyance selling, assigning, leasing or transferring your interest in any Authorized Site, must include restrictive covenants as are necessary to ensure that a Competitive Business that would violate this Section is not operated at that Authorized Site for this 2-year period, and you must take all steps necessary to ensure that these restrictive covenants become a matter of public record.

11.4 Modification. We have the right, in our sole discretion, to reduce the scope of any covenant in this Section 11 effective immediately upon your receipt of written notice, and you agree that you will comply with any covenant as so modified, which will be fully enforceable notwithstanding the provisions of Section 17. If any part of these restrictions is found to be unreasonable in time or distance, each month of time or mile of distance may be deemed a separate unit so that the time or distance may be reduced by appropriate order of the court to that deemed reasonable. If, at any time during the 2-year period following expiration or termination of this Agreement or a Transfer, you fail to comply with your obligations under this Section, that period of noncompliance will not be credited toward your satisfaction of the 2-year obligation. Following the resolution of any dispute regarding the enforceability of this Section that is resolved in our favor, the 2-year period (or that other period as may be deemed reasonable by the court) will run from the date of the resolution.

11.5 Applicability. The restrictions contained in this Section 11 apply to you, all 10% Owners and all guarantors under this Agreement. This Section 11 does not prohibit you or any 10% Owner or any guarantor under this Agreement from having: **(a)** interests in any franchise-related agreement with us or our affiliates that remains in effect; or **(b)** ownership of less than 5% of the outstanding equity securities of any publicly-held corporation, as defined in the Securities and Exchange Act of 1934.

11.6 Enforcement. The existence of any claim you may have against us, whether or not arising from this Agreement, will not constitute a defense to our enforcement of this Section 11. You agree to pay all costs and expenses that we reasonably incur in enforcing this Section 11, including reasonable attorneys' fees. You acknowledge that a violation of the terms of this Section 11 would result in irreparable injury to us for which no adequate remedy at law may be available. Accordingly, you consent to the issuance of an injunction prohibiting any conduct in violation of the terms of this Section 11. Injunctive relief will be in addition to any other remedies that we may have.

11.7 Survival. The terms of this Section 11 will survive the termination or expiration of this Agreement or any Transfer. You and we agree this Section 11 will be construed as independent of any other provision of this Agreement.

12. Default and Termination

12.1 Grounds for Termination. In addition to the grounds for termination stated elsewhere in this Agreement, we may terminate this Agreement, and the rights granted by this Agreement, by written notice to you without giving you an opportunity to cure upon the occurrence of any of the following events:

12.1.1 You fail to obtain our written acceptance of a site by the applicable Site Acceptance Date or fail to develop and open a Franchised Restaurant by the applicable Opening Date. Termination of this Agreement pursuant to this Section 12.1.1 will not constitute a default of any Franchise Agreement.

12.1.2 At any time during the Development Term, you fail to have open and operating the number of Franchised Restaurants required by the Development Schedule. Termination of this Agreement pursuant to this Section 12.1.2 will not constitute a default of any Franchise Agreement.

12.1.3 You sign a lease for a Franchised Location or begin construction of a Franchised Restaurant before you execute the Franchise Agreement for that location.

12.1.4 You are insolvent or unable to pay your creditors (including us); file a petition in bankruptcy, an arrangement for the benefit of creditors or a petition for reorganization; there is filed against you a petition in bankruptcy, an arrangement for the benefit of creditors or petition for reorganization that is not dismissed within 60 days of the filing; you make an assignment for the benefit of creditors; or a receiver or trustee is appointed for you and not dismissed within 60 days of the appointment.

12.1.5 Execution is levied against your business or property; suit to foreclose any lien or mortgage against the premises or equipment of any Franchised Restaurant developed hereunder is instituted against you and is not dismissed within 60 days; or the real or personal property of any Franchised Restaurant developed hereunder is sold after levy thereupon by any sheriff, marshal or constable.

12.1.6 There is a material breach of any obligation under Section 11.

12.1.7 Any Transfer that requires our prior written consent occurs without your having obtained that prior written consent.

12.1.8 We discover that you made a material misrepresentation or omitted a material fact in the information that you furnished to us in connection with our decision to enter into this Agreement.

12.1.9 You knowingly falsify any report required to be furnished to us or make any material misrepresentation in your dealings with us or fail to disclose any material facts to us.

12.1.10 You, any 10% Owner, any guarantor under this Agreement or any of your officers, managers, members or directors is convicted of, or pleads no contest to, a crime that we reasonably believe is likely to harm the System or our goodwill.

12.1.11 You, your Operating Principal, any 10% Owner or any other entity that is a Birdcall Restaurant franchisee and in which you, your Operating Principal or any 10% Owner have a direct or indirect ownership interest remain in default beyond the applicable cure period under: **(a)** any other agreement with us or our affiliates; **(b)** any real estate lease, equipment lease or financing instrument relating to a Franchised Restaurant; or **(c)** any agreement with any vendor or supplier to a Franchised Restaurant; provided that if the default is not by you, you are given written notice of the default and 10 days to cure the default.

12.1.12 With respect to any Franchised Restaurant developed under this Agreement, an entity that is not a party to the applicable Franchise Agreement is operating the Franchised Restaurant without our prior written consent.

12.2 Termination Following Expiration of Cure Period.

12.2.1 Except for those items listed in Sections 12.1, 12.2.2 and 12.2.3, you will have 30 days after written notice of default from us within which to remedy the default and provide evidence of that remedy to us. If any default is not cured within that time, this Agreement will terminate without further notice to you effective immediately upon expiration of that time, unless we notify you otherwise in writing. Notwithstanding the foregoing, if the default cannot be corrected within 30 days, you will have that additional time to correct the default as we believe to be reasonably required (not to exceed 90 days) provided that you begin taking the actions necessary to correct the default during the 30-day cure period and diligently and in good faith pursue those actions to completion. You will be in default under this Section 12.2.1 for any failure to materially comply with any of the requirements imposed by this Agreement or otherwise in writing, or to carry out the terms of this Agreement in good faith.

12.2.2 Notwithstanding the provisions of Section 12.2.1, if you fail to pay any monies owed to us or our affiliates when those monies become due and payable, and you fail to pay those monies within 10 days after receiving written notice of default, this Agreement will terminate effective immediately upon expiration of that time, unless we notify you otherwise in writing.

12.2.3 If you have received 2 or more notices of default under this Agreement within the previous 12 months, we will be entitled to send you a notice of termination upon your next default under this Agreement in that 12-month period without providing you an opportunity to remedy that default.

12.3 Statutory Limitations. If any valid, applicable law or regulation of a competent governmental authority with jurisdiction over this Agreement requires a notice or cure period prior to termination longer than set forth in this Agreement, this Agreement will be deemed amended to conform to the minimum notice or cure period required by the applicable law or regulation.

12.4 Obligations on Termination or Expiration. Upon termination or expiration of this Agreement:

12.4.1 You will have no further right to develop or open Franchised Restaurants in the Development Area, except that you will be entitled to complete and open a Franchised Restaurant for which a franchise agreement has been executed by your Affiliated Entity or you. Notwithstanding anything to the contrary in any franchise agreement between your Affiliated Entity or you and us, termination or expiration of this Agreement alone will not affect your right (or your Affiliated Entity's right) to continue to operate Franchised Restaurants that were open and operating as of the date this Agreement terminated or expired.

12.4.2 The limited exclusive rights granted to you in the Development Area will terminate, and we will have the right to operate, and license others to operate, Birdcall Restaurants anywhere in the Development Area except as otherwise provided in an effective franchise agreement.

12.4.3 You must promptly return to us all materials and information furnished by us or our affiliates, except materials and information furnished with respect to a Franchised Restaurant which is open and operating pursuant to an effective franchise agreement.

12.4.4 You and all persons and entities subject to the covenants contained in Section 11 will continue to abide by those covenants and must not, directly or indirectly, take any action that violates those covenants.

12.4.5 You must immediately pay to us and our affiliates all sums due and owing us or our affiliates pursuant to this Agreement.

12.4.6 We will retain the Development Fee.

13. Relationship of the Parties. This Agreement does not create a fiduciary or other special relationship or make you or us an agent, legal representative, joint venturer, joint employer, partner, employee or servant of each other for any purpose. You are not authorized to make any contract, agreement, warranty or representation on our behalf, or to create any obligation, express or implied, on our behalf.

14. Indemnification and Insurance.

14.1 Indemnification. You agree to defend, indemnify, and hold harmless us and our past, present and future parents, affiliates, officers, directors, members, managers, shareholders, agents, attorneys, consultants, and employees against any claims, losses, costs, expenses, liabilities and damages arising directly or indirectly from, as a result of, or in connection with your activities under this Agreement, as well as the costs of defending against those claims, losses, costs, expenses, liabilities and damages (including, but not limited to, reasonable attorneys' fees, costs of investigation, settlement costs and interest). You promptly will give us written notice of any litigation, proceeding, or dispute filed or instituted against you that could directly or indirectly affect us or any of the other indemnities under this Section and, upon request, you will furnish us with copies of any documents from those matters as we may request.

With respect to any threatened or actual litigation, proceeding, or dispute that could directly or indirectly affect us or any of the other indemnitees under this Section 14.1, we will have the right, but not the obligation, to: **(a)** choose counsel; **(b)** direct and control the handling of the matter; and/or **(c)** settle any claim against the indemnitees. Our exercise of these rights does not affect your obligation to indemnify and hold us harmless in accordance with this Section. This Section will survive the expiration or termination of this Agreement, and applies to Claims even if they exceed the limits of your insurance coverage.

14.2 Insurance. During the Development Term, you must maintain in full force and effect that insurance which you determine to be necessary, which must include at least the types of insurance and the minimum policy limits specified in the Manual or otherwise in writing. Each insurance policy must be written by an insurance company that maintains an "A+" or better rating by the latest edition of Best's Insurance Rating Service (or another rating service designated by us). The insurance policy or policies must protect you, us and our respective past, present and future officers, directors, members, managers, owners, employees, representatives, consultants, attorneys and agents. We and any entity with an insurable interest designated by us must be named as additional insureds in the policy or policies (statutory policies excepted). Each policy must include a waiver of subrogation in our favor. We may require additional types of coverage or increase the required minimum amount of coverage upon reasonable notice. Your obligation to obtain coverage is not limited in any way by insurance that we maintain. You must provide us with certificates of insurance evidencing the required coverage and proof of payment therefor no later than the date you sign this Agreement. The evidence of insurance must include a statement by the insurer that the policy or policies will not be canceled or materially altered without at least 30 days' prior written notice to us. If you fail to obtain and maintain insurance coverage as required by this Agreement, we have the right, but not the obligation, to obtain the required insurance on your behalf and to charge you for the cost of the insurance, plus a reasonable fee for our services in procuring the insurance.

15. Consents and Waivers.

15.1 Consent. Whenever our prior written approval, acceptance or consent is required under this Agreement, you agree to make a timely written request to us for that consent. Our approval, acceptance or consent must be in writing and signed by an authorized officer or manager to be effective.

15.2 No Warranties. We make no warranties or guarantees upon which you may rely by providing any waiver, approval, consent or suggestion to you in connection with this Agreement and assume no liability or obligation to you therefor, or by reason of any neglect, delay, or denial of any request therefor. We will not, by virtue of any waivers, approvals, consents, advice or services provided to you, assume responsibility or liability to you or to any third parties to which we would not otherwise be subject.

15.3 Waivers. No delay or failure to exercise any right under this Agreement or to insist upon your strict compliance with any obligation or condition, and no custom or practice that differs from the terms of this Agreement, will constitute a waiver of our right to exercise the contractual right or demand your strict compliance with the terms of this Agreement. Our waiver of any particular default does not affect or impair our rights with respect to any subsequent default you may commit. Our waiver of a default by another developer or franchisee does not affect or impair our right to demand your strict compliance with the terms of this Agreement. Our acceptance of any payments due from you does not waive any prior defaults.

16. Notices. Notices related to this Agreement will be effective upon receipt (or first rejection) and may be given by any of the following delivery methods: (a) certified or registered mail; (b) U.S. Priority Mail or national commercial delivery service (e.g., UPS, Federal Express); or (c) email (if receipt is verified within 24 hours of transmission). Notices to you and us must be sent to the addresses on the first page of this Agreement. Email notices must be sent to the email address provided by the party. Either party can change its notice address by informing the other party.

17. Entire Agreement. Each element of this Agreement is essential and material. This Agreement, the Manual, the attachments to this Agreement and the documents referred to in this Agreement constitute the entire agreement between you and us with respect to your development rights in the Development Area and supersede all prior negotiations, representations, correspondence and agreements concerning the same subject matter. Except for our Franchise Disclosure Document and any Franchise Agreement executed pursuant to this Agreement, there are no other representations, inducements, promises, agreements, arrangements, or undertakings, oral or written, between the parties relating to the matters covered by this Agreement other than those set forth in this Agreement and in the attachments. No obligations or duties that contradict or are inconsistent with the express terms of this Agreement may be implied into this Agreement. Except as expressly set forth in this Agreement, no amendment, change or variance from this Agreement will be binding on either party unless mutually agreed to by the parties and executed in writing. Notwithstanding the foregoing, nothing in this Agreement is intended to disclaim any representation made in our Franchise Disclosure Document.

18. Severability and Construction.

18.1 Severability. Each provision of this Agreement is severable from the others. If, for any reason, any provision is determined by a court to be invalid, the invalidity will not impair the operation of the remaining provisions of this Agreement. The latter will continue to be given full force and effect and bind us and you; the invalid provision(s) will be deemed not to be a part of this Agreement.

18.2 Survival. 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 expiration, termination or Transfer.

18.3 Interpretation. This Agreement will not be interpreted in favor of or against any party based on a party's sophistication or based on the party that drafted this Agreement. Except as otherwise expressly provided, nothing in this Agreement is intended, or will be deemed, to confer any rights or remedies upon any person or legal entity other than you and us.

18.4 Our Discretion. Whenever we have a right and/or the discretion to take or withhold an action, or to grant or decline to grant you a right to take or withhold an action, except as otherwise expressly and specifically provided in this Agreement, we may make that decision or exercise our right and/or discretion on the basis of our judgment of what is in the best interests of the System. Our judgment of what is in the best interests of the System, at the time our decision is made or our right or discretion is exercised, can be made without regard to whether: **(a)** other reasonable alternative decisions or actions, or even arguably preferable alternative decisions or actions, could have been made by us; **(b)** our decision or the action taken promotes our financial or other individual interest; **(c)** our decision or the action taken applies differently to you and one or more other developers or franchisees or our company-owned or affiliate-owned operations; or **(d)** our decision or the action taken is adverse to your interests. We will have no liability to you for any such decision or action. We and you intend that the exercise of our right or discretion will not be subject to limitation or review. If applicable law implies a covenant of good faith and fair dealing in this Agreement, we and you agree that such covenant will not imply any rights or obligations that are inconsistent with a fair construction of the terms of this Agreement and that this Agreement grants us the right to make decisions, take actions and/or refrain from taking actions not inconsistent with your rights and obligations under this Agreement.

18.5 Force Majeure. If the performance of any obligation by you or us under this Agreement is prevented, hindered or delayed by reason of Force Majeure, which cannot be overcome by reasonable commercial measures, your and our respective obligations (to the extent that you and we, having exercised best efforts, are prevented, hindered or delayed in such performance) will be suspended during the period of the Force Majeure event. The party whose performance is affected by an event of Force Majeure will give prompt written notice of the Force Majeure event to the other party of the Force Majeure event and an estimate as to its duration.

As used in this Agreement, "**Force Majeure**" means any act of God, strike, lock-out or other industrial disturbance, war (declared or undeclared), riot, epidemic, pandemic, outbreak of disease, fire or other catastrophe, act of any government or a third party and any other cause not within the control of the affected party (including, without limitation, any act of terrorism). The existence of Force Majeure will not affect your obligation to pay us, our affiliates or any supplier any monies owed to us when due. Your inability to obtain financing or pay us any monies owed to us (regardless of the reason) will not constitute Force Majeure.

19. Dispute Resolution.

19.1 Choice of Law. This Agreement and the relationship between the parties is governed by and will be construed in accordance with the laws of the State of Colorado provided, however, that if any provision of this Agreement would not be enforceable under the laws of Colorado and the Development Area is located outside of Colorado, then that provision will be interpreted and construed under the laws of the state in which the Development Area is located. Nothing in this Section is intended, or will be deemed, to make any Colorado law regulating the offer or sale of franchises or business opportunities or the franchise relationship applicable to this Agreement if that law would not otherwise be applicable.

19.2 Choice of Forum. The parties agree that, to the extent any disputes cannot be resolved directly between them, you must file any suit against us only in the federal or state court having jurisdiction where our principal offices are located at the time suit is filed. We must file suit in the federal or state court located in the jurisdiction where our principal offices are located at the time suit is filed or in the jurisdiction where you reside or do business or where the Franchised Restaurant is or was located or where the claim arose. You consent to the personal jurisdiction of those courts over you and to venue in those courts.

19.3 Limitation of Actions. Any legal action or proceeding (including a proceeding related to the offer and sale of a franchise to you) brought or instituted with respect to any dispute arising from or related to this Agreement or with respect to any breach of the terms of this Agreement must be brought or instituted within a period of 2 years after the initial occurrence of any act or omission that is the basis of the legal action or proceeding, regardless of when discovered. The preceding limitation period does not apply: **(a)** with respect to payments owed by one party to the other; **(b)** if prohibited by applicable law; or **(c)** if applicable law provides for a shorter limitations period.

19.4 Mutual Waiver of Jury Trial. Each of us irrevocably waives trial by jury in any litigation.

19.5 Other Waivers. You and we waive: **(a)** any right to or claim of punitive, exemplary, multiple or consequential damages against the other in litigation and agrees to be limited to the recovery of actual damages sustained; and **(b)** any right to participate in any action or proceeding a consolidated, common, representative, group or class basis.

19.6 Remedies Not Exclusive. Except as provided in Sections 19.1 through 19.5, 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.

19.7 Reimbursement of Costs and Expenses. If either party brings an action to enforce this Agreement in a judicial proceeding, the party prevailing in that proceeding will be entitled to reimbursement of costs and expenses, including, but not limited to, reasonable accountants', attorneys', attorneys' assistants' and expert witness fees, the cost of investigation and proof of facts, court costs, other litigation expenses, and travel and living expenses, whether incurred prior to, in preparation for, or in contemplation of the filing of, the proceeding. If we utilize legal counsel (including in-house counsel employed by us) in connection with any failure by you to comply with this Agreement, you must reimburse us for any of the above-listed costs and expenses incurred by us. In any judicial proceeding, the amount of these costs and expenses will be determined by the court and not by a jury.

19.8 Rights of Parties are Cumulative. The parties' rights under this Agreement are cumulative, and the exercise or enforcement of any right or remedy under this Agreement will not preclude the exercise or enforcement by a party of any other right or remedy under this Agreement that it is entitled by law or this Agreement to exercise or enforce.

19.9 Survival. The provisions of this Section 19 will survive the expiration or earlier termination of this Agreement.

20. Miscellaneous.

20.1 Gender and Number. All references to gender and number will be construed to include such other gender and number as the context may require.

20.2 Captions. All captions in this Agreement are intended solely for the convenience of the parties and none will be deemed to affect the meaning or construction of any provision of this Agreement.

20.3 Counterparts and Signatures. This Agreement may be executed in counterparts, and each copy so executed and delivered will be deemed an original. This Agreement may be signed using electronic signatures, and those signatures will have full legal force and effect.

20.4 Time. Time is of the essence of this Agreement for each provision in which time is a factor.

20.5 Injunctive Relief. You recognize that your failure to comply with the terms of this Agreement, including, but not limited to, the failure to fully comply with all post-termination obligations, is likely to cause irreparable harm to us, our affiliates and the System. Therefore, you agree that, in the event of a breach or threatened breach of any of the terms of this Agreement by you, we will be entitled to declaratory and injunctive relief (both preliminary and permanent) restraining that breach and/or to specific performance without showing or proving actual damages and without posting any bond or security.

20.6 Compliance with U.S. Laws. You acknowledge that under applicable U.S. law, including, without limitation, Executive Order 13224, signed on September 23, 2001 ("**Order**"), we are prohibited from engaging in any transaction with any person engaged in, or with a person aiding any person engaged in, acts of terrorism, as defined in the Order. Accordingly, you represent and warrant to us that, as of the Effective Date, neither you nor any person holding any ownership interest in you, controlled by you, or under common control with you is designated under the Order as a person with whom business may not be transacted by us, and that you: **(a)** do not, and hereafter will not, engage in any terrorist activity; **(b)** are not affiliated with and do not support any individual or entity engaged in, contemplating, or supporting terrorist activity; and **(c)** are not acquiring the rights granted under this Agreement with the intent to generate funds to channel to any individual or entity engaged in, contemplating, or supporting terrorist activity, or to otherwise support or further any terrorist activity.

21. Acknowledgements.

21.1 No Guarantee of Success. This Agreement involves significant legal and business rights and risks. We do not guarantee your success. You have not received from us or our affiliates or anyone acting on our behalf any representation of your potential sales, expenses, income, profit or loss. You have conducted an independent investigation of the business contemplated by this Agreement and recognize that the nature of the business conducted by Birdcall Restaurants may change over time. The prospect for success of the business undertaken by you is speculative and depends to a material extent upon your personal commitment, capability and direct involvement in the day-to-day management of the business.

21.2 Site Acceptance. Acceptance of one or more sites by us and our refusal to accept other sites is not a representation that a Franchised Restaurant at an Authorized Site will achieve a certain sales volume or a certain level of profitability, or that a Franchised Restaurant at an Authorized Site will have a higher sales volume or be more profitable than a site which we did not accept. Acceptance by us merely means that the minimum criteria which we have established for identifying suitable sites for proposed Birdcall Restaurants have been met. Because real estate development is an art and not a precise science, you agree that acceptance, or refusal to accept a proposed site by us, whether or not a site review report is completed and/or submitted to us will not impose any liability or obligation on us. The decision whether to develop a particular site is yours, subject to acceptance of the site by us. Preliminary acceptance of a proposed site by any of our representatives is not conclusive or binding, because his or her recommendation may be rejected by us.

21.3 No Warranty. We expressly disclaim the making of, and you acknowledge that you have not received, any warranty or guaranty, express or implied, as to the potential volume, profits or success of the business venture contemplated by this Agreement. We do not, by virtue of any approvals or advice provided to you, assume responsibility or liability to you or any third-party to which we would otherwise not be subject. You have not received from us or our affiliates or anyone acting on our behalf any representations other than those contained in our Franchise Disclosure Document provided to you as inducements to enter this Agreement.

21.4 Other Agreements. We will continue to enter into agreements with other developers and franchisees. The manner in which we enforce our rights and the developers' and franchisees' obligations under any of those other agreements will not affect our ability to enforce our rights or your obligations under this Agreement.

21.5 No Refund. The Development Fee is not refundable for any reason.

21.6 System Modification. We may change or modify the System, from time to time, including the Manual, and you will be required to make such expenditures as those changes or modifications in the System may require.

21.7 No Control. Even though this Agreement contains provisions requiring you to develop the Franchised Restaurants in compliance with the System: **(a)** we and our affiliates do not have actual or apparent authority to control the day-to-day conduct and operation of your business or employment decisions; **(b)** neither you nor we intend for us or our affiliates to incur any liability in connection with or arising from any aspect of the System or your use of the System, whether or not in accordance with the requirements of the Manual; and **(c)** you are the sole employer of your employees and you and we are not joint employers.

21.8 Sole Employer. You will be solely responsible for: **(a)** hiring, training and supervising efficient, competent and courteous employees of good character for the operation of the Franchised Restaurants; **(b)** the terms of their employment and compensation; and **(c)** the proper training of the employees in the operation of the Franchised Restaurants.

21.9 Limitations on Exclusivity. You understand that there are certain limitations to your exclusive rights in the Development Area during the Development Term and that, following termination or expiration of the Development Term, we may develop and operate, or license others to develop and operate Birdcall Restaurants at any location in the Development Area, except as otherwise provided in an effective franchise agreement.

21.10 No Conflict. Your execution of this Agreement does not and will not conflict or interfere, directly or indirectly, intentionally or otherwise, with the terms of any other agreement with any third party to which you, any of your owners or any affiliate of yours is a party, including, but not limited to, any noncompetition provision.

21.11 Jury Waiver. In the event of a dispute between us, you and we have waived our right to a jury trial.

21.12 Receipt of FDD. You have received our Franchise Disclosure Document at least 14 days prior to your signing this Agreement or payment of any monies to us, or earlier if required by applicable law.

IN WITNESS WHEREOF, the parties have executed this Agreement by their duly authorized representatives.

DEVELOPER:	**BIRDCALL:**
______________________________	**BIRDCALL FRANCHISING LLC**
By: ___________________________	By: ________________________________
Print Name: ____________________	Print Name: __________________________
Title: __________________________	Title: ________________________________
Date: __________________________	Date: ________________________________

EXHIBIT A

DEVELOPMENT INFORMATION

1. **Development Area**. The Development Area will be ______________________________
____
____
____

Your rights in the Development Area are subject to the limitations described in Section 2. Any political boundaries contained in the description of the Development Area will be considered fixed as of the Effective Date and will not change notwithstanding a political reorganization or a change in those boundaries. Unless otherwise specified, all street boundaries are deemed to include only the inside portion of the stated boundary.

2. **Development Fee**. The Development Fee is $______, including $50,000 for the first Franchised Restaurant.

3. **Development Schedule**. During the Development Term, you will develop and continue to operate a total of ____ Franchised Restaurants in the Development Area in accordance with the following schedule:

Number of Franchised Restaurants	**Site Acceptance Date**	**Opening Date**	**Cumulative Number of Franchised Restaurants to be Open and Operating on the Opening Date, Including the Franchised Restaurant to be Established**

4. **Ownership:** If you are a business entity, the following is a list of all holders of a direct or indirect equity interest in you and their respective percentage interests:

Name	**Address**	**Ownership Interest**

5. **Operating Principal:** ____

6. Existing Businesses:

Name of Business	Description of Business

EXHIBIT B

GUARANTEE AND ASSUMPTION OF DEVELOPER'S OBLIGATIONS

In consideration of, and as an inducement to, the execution of the Birdcall Development Agreement dated as of ___________ ("**Agreement**") by Birdcall Franchising LLC ("**Birdcall**"), entered into with ___________________________ ("**Developer**"), the undersigned ("**Guarantor(s)**") hereby personally and unconditionally agree as follows:

1. Guarantee and Assumption of Developer's Obligations. Each Guarantor hereby: **(A)** guarantees to Birdcall and its successors and assigns, for the term of the Agreement and thereafter as provided in the Agreement or at law or in equity, that Developer and any assignee of Developer's interest under the Agreement will: **(i)** punctually pay and perform each and every undertaking, agreement and covenant set forth in the Agreement and **(ii)** punctually pay all other monies owed to Birdcall and/or its affiliates; **(B)** agrees to be personally bound by each and every provision in the Agreement, including, without limitation, the provisions of Section 11 and 14.1; and **(C)** agrees to be personally liable for the breach of each and every provision in the Agreement.

2. General Release. Each Guarantor (if an individual, on behalf of him/herself and his/her heirs, representatives, successors and assigns, and if a business entity, on behalf of itself and its parent, subsidiaries and affiliates) (collectively, "**Releasors**"), freely and without any influence, forever releases and covenants not to sue Birdcall, its parent, subsidiaries and affiliates and their respective past and present officers, directors, managers, members, shareholders, agents and employees, in their corporate and individual capacities, with respect to any and all claims, demands, liabilities and causes of action of whatever kind or nature, whether known or unknown, vested or contingent, suspected or unsuspected (collectively, "**Claims**"), that any Releasor now owns, has or claims to have or holds, or may in the future own or hold, or at any prior time owned, held, had or claimed to have, based on, arising out of or relating to, in whole or in part, any fact, event, conduct or omissions occurring on or before the date of this Guarantee, including, without limitation, Claims arising under federal, state and local laws, rules and ordinances and Claims arising out of, or relating to this Guarantee, the Agreement and all other agreements between any Releasor and Birdcall or its parent, subsidiaries or affiliates, the sale of any franchise to any Releasor, the development and operation of the Franchised Restaurant and the development and operation of all other restaurants operated by any Releasor that are franchised by Birdcall or its parent, subsidiaries or affiliates. Releasors expressly agree that fair consideration has been given by Birdcall for this release, and they fully understand that this is a negotiated, complete and final release of all claims.

3. General Terms and Conditions. The following general terms and conditions will apply to this Guarantee:

A. Each Guarantor waives: **(i)** acceptance and notice of acceptance by Birdcall of the foregoing undertakings; **(ii)** notice of demand for payment of any indebtedness or nonperformance of any obligations hereby guaranteed; **(iii)** protest and notice of default to any party with respect to the indebtedness or nonperformance of any obligations hereby guaranteed; **(iv)** any right he/she/it may have to require that an action be brought against Developer or any other person as a condition of liability; **(v)** all rights to payments and claims for reimbursement or subrogation which any of the undersigned may have against Developer arising as a result of the execution of and performance under this Guarantee by the undersigned; **(vi)** any law or statute which requires that Birdcall make demand upon, assert claims against or collect from Developer or any others, foreclose any security interest, sell collateral, exhaust any remedies or take any other action against Developer or any others prior to making any demand upon, collecting from or taking any action against the undersigned with respect to this Guarantee; **(vii)** any and all other notices and legal or equitable defenses to which he may be entitled; and **(vii) any and all right to have any legal action under this Guarantee decided by a jury.**

B. Each Guarantor consents and agrees that: **(i)** Guarantor's direct and immediate liability under this Guarantee will be joint and several; **(ii)** Guarantor will render any payment or performance required under the Agreement if Developer fails or refuses punctually to do so; **(iii)** such liability will not be contingent or conditioned upon pursuit by Birdcall of any remedies against Developer or any other person; **(iv)** such liability will not be diminished, relieved or otherwise affected by any amendment of the Agreement, any extension of time, credit or other indulgence which Birdcall may from time to time grant to Developer or to any other person including, without limitation, the acceptance of any partial payment or performance or the compromise or release of any claims, none of which will in any way modify or amend this Guarantee, which will be continuing and irrevocable during the term of the Agreement and for so long thereafter as there are monies or obligations owing from Developer to Birdcall or its affiliates under the Agreement; and **(v)** monies received from any source by Birdcall for application toward payment of the obligations under the Agreement and under this Guarantee may be applied in any manner or order deemed appropriate by Birdcall. In addition: **(a)** each Guarantor acknowledges that the obligations under this Guarantee will continue to remain in force and effect unless Birdcall in its sole discretion, in writing, releases him/her/it from this Guarantee; and **(b)** following any Transfer, the obligations of each Guarantor under this Guarantee will continue to remain in force and effect unless Birdcall in its sole discretion, in writing, releases the Guarantor from this Guarantee. Notwithstanding the provisions of the previous sentence, unless prohibited by applicable law, the obligations contained in Sections 18.3 of the Agreement will remain in force and effect for a period of 2 years after any such release by Birdcall. A release by Birdcall of any Guarantor will not affect the obligations of any other Guarantor.

C. If Birdcall brings a legal action to enforce this Guarantee, the prevailing party in that proceeding will be entitled to reimbursement of its costs and expenses, including, but not limited to, reasonable accountants', attorneys', attorneys' assistants' and expert witness fees, cost of investigation and proof of facts, court costs, other litigation expenses and travel and living expenses, whether incurred prior to, in preparation for or in contemplation of the filing of any such proceeding. In any judicial proceeding, these costs and expenses will be determined by the court and not by a jury.

D. If Birdcall utilizes legal counsel (including in-house counsel employed by Birdcall or its affiliates) in connection with any failure by the undersigned to comply with this Guarantee, the undersigned will reimburse Birdcall for any of the above-listed costs and expenses incurred by it.

E. Upon the death of a Guarantor, the estate will be bound by this Guarantee for all obligations existing at the time of death. The obligations of the surviving Guarantors will continue in full force and effect.

F. This Guarantee will inure to the benefit of and be binding upon the parties and their respective heirs, legal representatives, successors and assigns. Birdcall interests in and rights under this Guarantee are freely assignable, in whole or in part, by Birdcall. Any assignment will not release the undersigned from this Guarantee.

G. Section 19 of the Agreement is incorporated by reference into this Guarantee and all capitalized terms that are not defined in this Guarantee will have the meaning given them in the Agreement.

IN WITNESS WHEREOF, each of the undersigned has hereunto affixed his signature.

GUARANTORS:

Date: ____________________ ____

Print Name: ________________________________

Address: ___________________________________

Date: ____________________ ____

Print Name: ________________________________

Address: ___________________________________

EXHIBIT D

CONFIDENTIALITY AGREEMENT

CONFIDENTIALITY AGREEMENT

This Confidentiality Agreement, made and entered into on ________________, by and between Birdcall Franchising LLC, a Colorado limited liability company, having its principal place of business at 855 Wyandot Street, Suite 102, Denver, CO 80204 (hereinafter “**Birdcall**”) and ____ (“**Individual**”).

RECITALS

A. Birdcall has developed and owns a unique system relating to the establishment, development and operation of businesses known and operated under the trade name “Birdcall”; and

B. Individual and Birdcall have entered discussions which may involve the disclosure to Individual of proprietary information of Birdcall.

NOW, THEREFORE, the parties, in consideration of the undertakings and commitments of each party to the other, hereby agree as follows:

1. **Proprietary Information/Confidential Treatment**. During business dealings between the parties, certain confidential information of Birdcall will be disclosed to Individual. Individual, will not for any reason or purpose whatsoever, use for its personal benefit, or disclose, communicate or divulge to, or use for the direct or indirect benefit of any person, firm, association or corporation other than Individual, any knowledge of confidential information which is proprietary to Birdcall (“**Proprietary Information**”). All Proprietary Information is and will remain the sole property of Birdcall and its assigns, and Individual hereby assigns to Birdcall any rights it has or may acquire in such Proprietary Information. Individual will have access to and become acquainted with various trade secrets and trade sources, consisting of operational systems, recipes, technology, proprietary software, methodologies and compilations of information, records, and specifications which are owned by Birdcall or its affiliates and which are regularly used in the operation of a Birdcall Restaurant. Individual will not disclose any of the previously mentioned trade secrets, directly or indirectly, or use them in any way, at any time, except as required business dealings between Birdcall and Individual.

2. **Injunctive Relief**. Any breach of provisions of this Agreement will cause irreparable harm to Birdcall, and therefore, in the event of a breach or threatened breach of the provisions of this Confidentiality Agreement, Birdcall will be entitled to an injunction restraining Individual from disclosing or appropriating in whole or in part, the Proprietary Information, or from rendering any services to any person, firm, corporation, association or other entity to whom such confidential information, in whole or in part, has been disclosed or is threatened to be disclosed. Nothing herein will be construed as prohibiting Birdcall from pursuing any other remedies available for such breach or threatened breach, including the recovery of damages.

[*Remainder of this page intentionally left blank*]

IN WITNESS WHEREOF, the parties hereunder have duly executed, sealed, and delivered this Agreement on the day and year set forth above.

BIRDCALL:

BIRDCALL FRANCHISING LLC

By: ____

Print Name: _________________________________

Title: ______________________________________

Date: ______________________________________

INDIVIDUAL:

____
Name

____
Date

EXHIBIT E

LIST OF CURRENT AND FORMER FRANCHISEES

LIST OF CURRENT FRANCHISEES
AND AFFILIATE-OWNED LOCATIONS

Current Franchisees:

Current Franchisees as of December 28, 2025: NONE.

Franchisees who have signed a Franchise Agreement, but have not yet opened a Birdcall Restaurant as of December 28, 2025:

Franchisee	Operating Partner	Business Address	City	State	Zip	Phone
Randynski LLC*	Caleb Randall & Adam Serdynski	1805 N 17th Street	Boise	ID	83702	(208) 890-2067
Niraj Aryal & Rebecca Michael*	Rebecca Michael	7183 S Vine Circle W	Littleton	CO	80122	(720) 329-5310
Scott Pawloski & Renee Pawloski*	n/a	192 Maplehurst Dr	Highlands Ranch	CO	80126	(248) 921-7863
State Theater, LLC	n/a	213 E Main St	Starkville	MS	39759	(303) 889-9884

*Denotes Multi-Unit Developer

Franchisor and Affiliate-Owned Studios:

As of December 28,2025:

Business Address	City	State	Zip	Phone
2220 S. Santan Village Pkwy	Gilbert	AZ	85295	(602) 847-9766
7025 N. 7th Street	Phoenix	AZ	85020	(602) 847-9777
1675 S. 29th Street, #1284	Boulder	CO	80301	(303) 268-1680
2905 Pearl St	Boulder	CO	80301	(303) 268-1730
7503 South University Blvd	Centennial	CO	80122	(720) 794-0007
6510 Tutt Blvd	Colorado Springs	CO	80923	(719) 259-6290
1701 Wewatta Street	Denver	CO	80202	(720) 572-8799
800 E. 26th Ave	Denver	CO	80205	(720) 361-2976
1535 E. Evans Ave	Denver	CO	80210	(720) 242-8106
4996 E. Hampden Ave	Denver	CO	80222	(720) 799-8911
1701 Bryant St	Denver	CO	80204	n/a
3300 S. College Ave, #110	Fort Collins	CO	80525	(970) 973-0222
444 S. Wadsworth Blvd	Lakewood	CO	80226	(720) 823-7444
18300 W. Alameda Pkwy	Morrison	CO	80465	n/a
4702 W. University Drive	McKinney	TX	75071	(469) 307-5770
507 W. Belt Line Rd.	Richardson	TX	75080	(469) 903-0007

Former Franchisees:

Former Franchisees as of December 28, 2025: NONE

EXHIBIT F

STATE SPECIFIC ADDENDA

ADDENDUM
TO THE FRANCHISE DISCLOSURE DOCUMENT OF
REQUIRED BY THE STATE OF CALIFORNIA

The California Franchise Investment Law requires a copy of all proposed agreements relating to the sale of the Franchise be delivered together with the FDD.

California Corporations Code Section 31125 requires us to give to you a FDD approved by the Department of Financial Protection and Innovation before we ask you to consider a material modification of your Franchise Agreement.

The Franchise Agreement contains provisions requiring binding arbitration with the costs being awarded to the prevailing party. The arbitration will occur in Utah. The Franchise Agreement contains a mediation provision. Mediation will occur in Colorado with the parties each bearing their own costs of mediation and sharing equally the filing fee and mediator's fees. 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 the Franchise Agreement restricting venue to a forum outside the State of California.

The Franchise Agreement requires the application of the law of the State of Colorado. This provision may not be enforceable under California law.

Neither Franchisor nor any other person listed in Item 2 of the FDD is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities Exchange Act of 1934, 15 U.S.C.A. 78a et seq., suspending or expelling such persons from membership in such association or exchange.

California Business and Professions Code Sections 20000 through 20043 provide rights to you concerning termination, transfer, or non-renewal of a franchise. If the Franchise Agreement contains a provision that is inconsistent with the California Franchise Investment Law, the California Franchise Investment Law will control.

The Franchise Agreement provides for termination upon bankruptcy. Such provision may not be enforceable under federal bankruptcy law (11 U.S.C.A. SEC. 101 et seq.).

The Franchise Agreement contains a covenant not to compete provision which extends beyond the termination of the Franchise. Such provisions may not be enforceable under California law.

The Franchise Agreement contains a liquidated damages clause. Under California Civil Code Section 1671, certain liquidated damages clauses are unenforceable. The provision for liquidated damages contained in the Franchise Agreement may not be enforceable.

You must sign a general release of claims if you renew or transfer your Franchise. California Corporations Code Section 31512 voids a waiver of your rights under the Franchise Investment Law (California Corporations Code Sections 31000 through 31516).

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.

Item 1 of the FDD is revised to include the following under Industry-Specific Laws:

Because you collect information from customers, it may contain personal information of individuals which is protected by law. You are also responsible for complying with all applicable current and future federal, state and local laws, regulations and requirements, including the California Consumer Privacy Act (as applicable), pertaining to the collection, protection, use, sale, disposal and maintenance of such personal information. Personal information includes information that identifies, relates to, describes, is capable of being associated with, or could reasonably be linked, directly or indirectly, with a particular consumer, potential consumer, individual or household, as such term may be further defined or amended by applicable federal, state, and locals laws, regulations and requirements. You may also be required to comply with opt-in requirements on your website.

Item 6 of the FDD is amended to state the highest interest rate allowed by law in California is 10% annually.

The FDD, Franchise Agreement and Supplemental Agreements are amended to add the following:

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

The registration of this franchise offering by the California Department of Financial Protection and Innovation does not constitute approval, recommendation, or endorsement by the commissioner.

ILLINOIS ADDENDUM TO THE FRANCHISE DISCLOSURE DOCUMENT, FRANCHISE AGREEMENT AND DEVELOPMENT AGREEMENT

Illinois law governs the Agreements.

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

Section 19 of the Illinois Franchise Disclosure Act sets forth the conditions and notice requirements for termination of a franchise agreement.

Section 20 of the Illinois Franchise Disclosure Act sets forth the conditions of non-renewal of a franchise agreement, along with the compensation requirements.

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

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

FRANCHISOR:	**FRANCHISEE:**
BIRDCALL FRANCHISING LLC	______________________________
By: ______________________	By: ______________________
Title: ______________________	Title: ______________________
Date: ______________________	Date: ______________________

WASHINGTON ADDENDUM TO THE FRANCHISE DISCLOSURE DOCUMENT, THE FRANCHISE AGREEMENT, THE DEVELOPMENT AGREEMENT AND ALL RELATED AGREEMENTS

The provisions of this Addendum form an integral part of, are incorporated into, and modify the Franchise Disclosure Document, the franchise agreement, and all related agreements regardless of anything to the contrary contained therein. This Addendum applies if: (a) the offer to sell a franchise is accepted in Washington; (b) the purchaser of the franchise is a resident of Washington; and/or (c) the franchised business that is the subject of the sale is to be located or operated, wholly or partly in Washington.

1. **Conflict of Laws.** In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, chapter 19.100 RCW will prevail.

2. **Franchisee Bill of Rights.** RCW 19.100.180 may supersede provisions in the franchise agreement or related agreements concerning you relationship with the franchisor, including the areas of termination and renewal of your franchise. There may also be court decisions that supersede the franchise agreement or related agreements concerning your relationship with the franchisor. Franchise agreement provisions, including those summarized in Item 17 of the Franchise Disclosure Document, are subject to state law.

3. **Site of Arbitration, Mediation, and/or Litigation.** In any arbitration or mediation involving a franchise purchased in Washington, the arbitration or mediation site will be either in the state of Washington, or in a place mutually agreed upon a the time of the arbitration or mediation, or as determined by the arbitrator or mediator at the time of the arbitration or mediation. In addition, if litigation is not precluded by the franchise agreement, a franchisee my bring actions or proceeding arising out of or in connection with the sale of franchises, or a violation of the Washington Franchise Investment Protection Act, in Washington.

4. **General Release.** A release or waiver of rights in the franchise agreement or related agreements purporting to bind he franchisee to waive compliance with any provision under the Washington Franchise Investment Protection Act or any rules or orders thereunder is void except when executed pursuant to a negotiated settlement after the agreement is in effect an d where the parties are represented by independent counsel, in accordance with RCW 19.100.220(2). In addition, any such release or waiver executed in connection with a renewal or transfer of a franchise is likely void except as provided for in RCW 19.100.220(2).

5. **Statute of Limitations and Waiver of Jury Trial.** Provision contained int eh franchise agreement or related agreements that unreasonably restrict or limit the statute of limitations period for claims under the Washington Franchise Investment Protection Act, or rights or remedies under the Act such as a right toa jury trial, may not be enforceable.

6. **Transfer Fees.** Transfer fees are collectable only to the extent that they reflect the franchisor's reasonable estimated or actual costs in effecting a transfer.

7. **Termination by Franchisee.** The franchisee may terminate the franchise agreement under any grounds permitted under state law.

8. **Certain Buy-Back Provisions.** Provisions in franchise agreements or related agreements that permit the franchisor to repurchase the franchisee's business for any reason during the term of the franchise agreement without the franchisee's consent are unlawful pursuant to RCW 19.100.180(2)(j), unless the franchise is terminated for good cause.

9. **Fair and Reasonable Pricing.** Any provision in the franchise agreement or related agreements that requires the franchisee to purchase or rent any product or service for more than a fair and reasonable price is unlawful under RCW 19.100.180(2)(d).

10. **Waiver of Exemplary & Punitive Damages.** RCW 19.100.190 permits franchisees to seek treble damages under certain circumstances. Accordingly, provisions contained in the franchise agreement or elsewhere requiring franchisees to waive exemplary, punitive or similar damages are void, except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel, in accordance with RCW 19.100.220(2).

11. **Franchisor's Business Judgement.** Provisions in the franchise agreement or related agreements stating that the franchisor may exercise its discretion on the basis of its reasonable business judgement may be limited or superseded by RCW 19.100.180(1), which requires the parties to deal with each other in good faith.

12. **Indemnification.** Any provision in the franchise agreement or related agreements requiring the franchisee to indemnify, reimburse, defend, or hold harmless the franchisor or other parties is hereby modified such that the franchisee has no obligation to indemnify, reimburse, defend, or hold harmless the franchisor or any other indemnified party for losses or liabilities to the extent that they are caused by the indemnified party's negligence,, willful misconduct, strict liability or fraud.

13. **Attorneys' Fees.** If the franchise agreement or related agreements require a franchisee to reimburse the franchisor for courts costs or expenses, including attorneys' fees, such provision applies only if the franchisor is the prevailing party in any judicial or arbitration proceeding.

14. **Noncompetition Covenants.** Pursuant to RCW 49.62.20, a noncompetition covenant is void and unenforceable against an employee, including an employee of a franchisee, unless the employee's earning from the party seeking enforcement, when annualized, exceed $100,000 per year (an amount that will be adjusted annually for inflation). In addition, a noncompetition covenant is void and unenforceable against an independent contractor of a franchisee under RCW 49.62.030 unless the independent contractor's earnings from the party seeking enforcement, when annualized, exceed $250,000 per year (an amount that will be adjusted for inflation). As a result, any provision contained in the franchise agreement or elsewhere that conflicts with these limitation is void and unenforceable in Washington.

15. **Nonsolicitation Agreements.** RCW 49.62.060 prohibits a franchisor from restricting, restraining, or prohibiting a franchisee from (i) soliciting or hiring any employee of a franchisee of the same franchisor or (ii) soliciting or hiring any employee of the franchisor.

16. **Questionnaires and Acknowledgements.** No statement, questionnaire, or acknowledgement or acknowledgement signed or agreed to by a franchisee in connection

with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

17. **Prohibitions on Communicating with Regulators.** Any provision in the franchise agreement or related agreements that prohibits the franchisee from communicating with or complaining to regulators is inconsistent with the express instructions in the Franchise Disclosure Document and is unlawful under RCW 19.100.180(2)(h).

18. **Advisory Regarding Franchise Brokers.** Under the Washington Franchise Investment Protection Act, a "franchise broker" is defined as a person that engages in the business of the offer or sale of franchises. A franchise broker represents the franchisor and is paid a fee for referring prospects to the franchisor and/or selling the franchise. If a franchisee is working with a franchise broker, franchisees are advised to carefully evaluate any information provided by the franchise broker about a franchise.

19. The first paragraph of Section 20.5 of the Franchise Agreement is deleted in its entirety and replaced with the following:

    Lost Revenue Damages. If we terminate this Agreement because of your breach or if you terminate this Agreement without cause, you and we agree that it would be difficult, if not impossible, to determine the amount of damages that we would suffer due to the loss or interruption of the revenue stream we otherwise would have derived from your continued payment of the Royalty and the Brand Fund contributions through the remainder of the Term. Therefore, you and we agree that a reasonable estimate of such damages, less any cost savings we might have experienced ("**Lost Revenue Damages**"), is an amount equal to the net present value of the Royalty and the Brand Fund contributions that would have been paid had this Agreement not been terminated, from the date of termination to the earlier of: **(a)** 24 months following the date of termination; or **(b)** the scheduled expiration of the Term ("**Measurement Period**").

20. **ITEM 5 of the FDD, Section 6.1 of the Franchise Agreement and Section 4 of the Multi-Unit Development Agreement are amended by adding the following language:**

    A Surety Bond in the amount of $100,000 has been obtained by the franchisor. The Washington Securities Division has made the issuance of the franchisor's permit contingent upon the franchisor maintaining surety bond coverage acceptable to the Administrator until (a) all Washington franchisees have (i) received all initial training that they are entitled to under the franchise agreement or offering circular, and (ii) they are open for business; or (b) the Administrator issues written authorization to the contrary. A copy of the bond is attached to this Addenda.

21. Section 29.3 of the Franchise Agreement does not apply in the state of Washington.

22. Section 29.5 of the Franchise Agreement does not apply in the state of Washington.

23. Section 21.1 of the Development Agreement does not apply in the state of Washington.

The undersigned parties to hereby acknowledge receipt of this Addendum.

Dated ______________________________.

______________________________ Signature of Franchisor Representative	______________________________ Signature of Franchisee Representative
______________________________ Title of Franchisor Representative	______________________________ Title of Franchisee Representative

REMAINDER OF PAGE LEFT BLANK INTENTIONALLY

SURETY BOND ON FOLLOWING PAGE

State of Washington
Department of Financial Institutions
Securities Division
P.O. Box 9033
Olympia, WA 98507-9033
(360) 902-8760
http://www.dfi.wa.gov/sd

FRANCHISOR SURETY BOND

BOND NUMBER 7901277858

KNOW ALL MEN BY THESE PRESENTS:

That, Birdcall Franchising LLC, as Principal, having filed with the Washington State Securities Division on or about the 1st day of August, 2025, an application to offer or sell franchises in the State of Washington pursuant to RCW 19.100.040, and Nationwide Mutual Insurance Company, as Surety, a corporation organized under the laws of the state of OH; and being duly authorized to transact the business of indemnity and suretyship in the State of Washington; do hereby acknowledge our indebtedness to the State of Washington, for the use and benefit of any person(s) having a claim under the conditions of this obligation, in the sum of One Hundred Thousand Dollars ($100,000); provided, however, that the aggregate liabilities hereunder shall not exceed the sum of One Hundred Thousand Dollars ($100,000), regardless of the number of claimants, and shall not be construed as individual liability.

Liability for the payment of this sum, to which we hereby obligate and bind ourselves, our heirs, executors, administrators, successors and assigns, jointly and severally, becomes effective upon the following conditions:

1. Approval by the Administrator of the Washington State Securities Division of the Principal's application to offer or sell franchises in this state; and

2. Failure by the Principal to strictly comply with all applicable provisions of, and all orders, rules, and regulations issued pursuant to, the Washington State Franchise Investment Protection Act, chapter 19.100 RCW.

This Bond shall expire at such time as the Principal's registration is withdrawn, terminates through non-renewal, or is revoked by the Securities Division except as to liabilities of the Principal arising prior to such time. This Bond may also be cancelled by the Surety upon 30 days written notice by registered mail to the Principal and to the Securities Division. At the end of the 30 day period, the Bond shall be deemed cancelled except as to liabilities of the Principal arising prior to the date of cancellation. The notice of cancellation shall be deemed effective and the 30 day period shall begin to run upon receipt by the Securities Division of said notice and sufficient proof of receipt of said notice by the Principal.

It is understood that any person(s) having a claim under the conditions of this obligation may institute suit in any court of competent jurisdiction against the Principal and/or the Surety upon this Bond.

WITNESS OUR SIGNATURES, this 31st day of July, 2025.

(Corporate Seal, if applicable)

Birdcall Franchising LLC
Principal (type of print)

By [signature]
Signature

CFO
Title

(Corporate Seal, if applicable)

Nationwide Mutual Insurance Company
Surety (type or print)

SEAL

By [signature]
Signature TROY A STAPLES

Attorney in Fact
Title

Not Required
Counter Signature

PRINCIPAL ACKNOWLEDGMENT

STATE OF Colorado)
) ss.
COUNTY OF Denver)

On this 31st day of July, 2025.
J. Ryan O'Haro personally appeared
before me stating that he is the CFO of
Birdcall Franchising LLC, the above-mentioned
Principal, that he executed this instrument for and in its behalf, by authority of its Board of Directors, that any seal affixed is the corporate seal of the Principal, and that this instrument and the execution thereof is a voluntary act of said corporation.

JOSEPHINE ARWOOD
NOTARY PUBLIC
STATE OF COLORADO
NOTARY ID 20064015201
MY COMMISSION EXPIRES April 18, 2026

Notary Public

Residing in Adams County

My Commission expires 04/18/2026

SURETY ACKNOWLEDGMENT*

STATE OF Minnesota)
) ss.
COUNTY OF Dakota)

On this 31st day of July, 2025,
TROY A STAPLES personally appeared
before me stating that he is the Attorney in Fact of
Nationwide Mutual Insurance Company, the above-mentioned
Surety, that he executed this instrument for and in its behalf, by authority of its Board of Directors, that any seal affixed is the corporate seal of the Surety, and that this instrument and the execution thereof is a voluntary act of said corporation.

HEATHER K. SCHAUS
Notary Public
Minnesota
My Commission Expires 1-31-2030

Heather K Schaus
Notary Public

Residing in Dakota County

My Commission expires 1/31/30

*Acknowledgment not required if Bond subscribed by Attorney in Fact for the Surety. However, a true and correct copy of the Power of Attorney must be attached to this Bond.

Power of Attorney Bond Number: 7901277858

KNOW ALL MEN BY THESE PRESENTS THAT:

Nationwide Mutual Insurance Company, an Ohio corporation

hereinafter referred to severally as the "Company" and collectively as "the Companies" does hereby make, constitute and appoint:

TROY A STAPLES

each in their individual capacity, its true and lawful attorney-in-fact, with full power and authority to sign, seal, and execute on its behalf any and all bonds and undertakings, and other obligatory instruments of similar nature, in penalties not exceeding the sum of

One Hundred Thousand and No/100 Dollars ($100,000.00)

and to bind the Company thereby, as fully and to the same extent as if such instruments were signed by the duly authorized officers of the Company; and all acts of said Attorney pursuant to the authority given are hereby ratified and confirmed.

This power of attorney is made and executed pursuant to and by authority of the following resolution duly adopted by the board of directors of the Company:

"RESOLVED, that the president, or any vice president be, and each hereby is, authorized and empowered to appoint attorneys-in-fact of the Company, and to authorize them to execute and deliver on behalf of the Company any and all bonds, forms, applications, memorandums, undertakings, recognizances, transfers, contracts of indemnity, policies, contracts guaranteeing the fidelity of persons holding positions of public or private trust, and other writings obligatory in nature that the business of the Company may require; and to modify or revoke, with or without cause, any such appointment or authority; provided, however, that the authority granted hereby shall in no way limit the authority of other duly authorized agents to sign and countersign any of said documents on behalf of the Company."

"RESOLVED FURTHER, that such attorneys-in-fact shall have full power and authority to execute and deliver any and all such documents and to bind the Company subject to the terms and limitations of the power of attorney issued to them, and to affix the seal of the Company thereto; provided, however, that said seal shall not be necessary for the validity of any such documents."

This power of attorney is signed and sealed under and by the following bylaws duly adopted by the board of directors of the Company.

Execution of Instruments. Any vice president, any assistant secretary or any assistant treasurer shall have the power and authority to sign or attest all approved documents, instruments, contracts, or other papers in connection with the operation of the business of the company in addition to the chairman of the board, the chief executive officer, president, treasurer or secretary; provided, however, the signature of any of them may be printed, engraved, or stamped on any approved document, contract, instrument, or other papers of the Company.

IN WITNESS WHEREOF, the Company has caused this instrument to be sealed and duly attested by the signature of its officer the 1st day of April, 2024.

Antonio C. Albanese, Vice President of Nationwide Mutual Insurance Company

ACKNOWLEDGMENT

STATE OF NEW YORK COUNTY OF KINGS: ss

On this 1st day of April, 2024, before me came the above-named officer for the Company aforesaid, to me personally known to be the officer described in and who executed the preceding instrument, and he acknowledged the execution of the same, and being by me duly sworn, deposes and says, that he is the officer of the Company aforesaid, that the seal affixed hereto is the corporate seal of said Company, and the said corporate seal and his signature were duly affixed and subscribed to said instrument by the authority and direction of said Company.

Sharon Laburda
Notary Public, State of New York
No. 01LA6427697
Qualified in Kings County
Commission Expires January 3, 2026

Notary Public
My Commission Expires
January 3, 2026

CERTIFICATE

I, Lezlie F. Chimienti, Assistant Secretary of the Company, do hereby certify that the foregoing is a full, true and correct copy of the original power of attorney issued by the Company; that the resolution included therein is a true and correct transcript from the minutes of the meetings of the boards of directors and the same has not been revoked or amended in any manner; that said Antonio C. Albanese was on the date of the execution of the foregoing power of attorney the duly elected officer of the Company, and the corporate seal and his signature as officer were duly affixed and subscribed to the said instrument by the authority of said board of directors; and the foregoing power of attorney is still in full force and effect.

IN WITNESS WHEREOF, I have hereunto subscribed my name as Assistant Secretary, and affixed the corporate seal of said Company this 31st day of July, 2025.

Assistant Secretary

BDJ 1(04-24)00

Nationwide®

Nationwide Mutual Insurance Company

1100 Locust St, Dept. 2006
Des Moines, Iowa 50391-2006
Attn: Surety Claims Manager
Tel. 866-387-0457

Surety Claim Notification

Claim notices should be sent to the attention of the Surety Claims Manager via e-mail to bondclms@nationwide.com or via mail to the address above.

All other notices should be sent to the attention of the Surety Underwriting Department via e-email to bondcomm@nationwide.com or via mail to the address above.

Thank you for your cooperation.

Nationwide Mutual Insurance Company, Surety Department

EXHIBIT G

FINANCIAL STATEMENTS

Financial Statements
December 28, 2025 and December 29, 2024

Birdcall Franchising LLC

Independent Auditor's Report

To the Board of Directors
Birdcall Franchising LLC
Denver, Colorado

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Birdcall Franchising LLC, which comprise the balance sheets as of December 28, 2025 and December 29, 2024, and the related statements of operations and members' capital and cash flows for the period ending December 28, 2025 and for the period from inception May 24, 2024 to December 29, 2024, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Birdcall Franchising LLC as of December 28, 2025 and December 29, 2024, and the results of its operations and its cash flows for the period ending December 28, 2025 and for the period from inception May 24, 2024 to December 29, 2024, in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

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

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7001 E. Belleview Ave., Ste. 700 • Denver, CO 80237-2733 • TF 866.740.4100 • T 303.770.5700 • F 303.770.7581 • EOE

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS, we:

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

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

Eide Bailly LLP

March 30, 2026
Denver, Colorado

	2025	2024
Assets		
Current Assets		
Cash	$ 12,003	$ 51,135
Receivables from franchisees	795,000	-
Due from related party	88,000	-
Total current assets	895,003	51,135
Deferred franchise commissions	398,750	-
	$ 1,293,753	$ 51,135
Liabilities and Members' Capital		
Current Liabilities		
Accounts payable	$ 313,831	$ -
Deferred revenues	60,000	-
Due to related party	203,268	5,499
Total current liabilities	577,099	5,499
Deferred revenues	925,000	-
Total liabilities	1,502,099	5,499
Member's Capital (Deficit)	(208,346)	45,636
	$ 1,293,753	$ 51,135

Statements of Operations and Members' Capital

For the Period Ended December 28, 2025 and from the Period of Inception (May 24, 2024) to December 29, 2024

	2025	2024
Revenues	$ -	$ -
Operating Expenses		
General and administrative expenses	(255,185)	(55,401)
Total general and administrative expenses	(255,185)	(55,401)
Total operating expenses	(255,185)	(55,401)
Operating loss	(255,185)	(55,401)
Interest income	1,203	1,037
Net loss	$ (253,982)	$ (54,364)
Beginning Members Capital	$ 45,636	$ -
Contributions	-	100,000
Ending Members Capital	$ (208,346)	$ 45,636

	2025	2024
Operating Activities		
Net loss	$ (253,982)	$ (54,364)
Changes in assets and liabilities		
Receivables	(795,000)	-
Deferred franchise commissions	(398,750)	-
Accounts payable	313,831	-
Deferred revenues	985,000	-
Net Cash used for Operating Activities	(148,901)	(54,364)
Financing Activities		
Contributions	-	100,000
Due from related party	(88,000)	-
Due to related party	197,769	5,499
Net Cash from Financing Activities	109,769	105,499
Net Change in Cash	(39,132)	51,135
Cash at Beginning of Year	51,135	-
Cash at End of Year	$ 12,003	$ 51,135

Note 1 - Principal Business Activity and Significant Accounting Policies

Principal Business Activity

Birdcall Franchising LLC was formed on May 24, 2024 for the purpose of owning and managing franchise restaurant operations and to engage in other general business purposes. The Company has adopted a 52/53-week year end and thus for fiscal year 2025, the Company's yearend is December 28, 2025.

As of December 28, 2025, the Company had four franchisees under contract, as of December 29, 2024, the Company had zero franchisees under contract.

Concentration of Credit Risk

The Company maintains its cash in bank deposit accounts which exceed federally insured limits. Accounts are guaranteed by the Federal Deposit Insurance Corporation (FDIC) up to $250,000 per depositor, per insured bank, for each account ownership category. As of December 28, 2025, the Company had approximately $12,003, within FDIC-insured limits. As of December 29, 2024, the Company had approximately $51,135, within FDIC-insured limits.

Estimates

The presentation of the financial statements in conformity with U.S. generally accepted accounting principles 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.

Receivables and Credit Losses

The Company offers franchises to qualified parties throughout the United States. Receivables due from franchisees are uncollateralized obligations due based on contractual agreements. Receivables are allocated based on specific terms within the agreement. The Company currently evaluates the collectability of accounts receivable based on current economic factors and believes as of December 28, 2025, all receivables to be fully collectible. Accordingly, the allowance for credit losses at December 28, 2025 totaled $0.

In the future when the Company begins to develop historical information, the Company will evaluate the collectability of receivables based on historical loss information to determine expected credit losses from receivables.

Deferred Franchise Commissions

Deferred franchise commissions primarily represent costs to obtain a franchise contract. Costs to obtain a franchise contract are recorded as deferred if (1) the cost is incremental and (2) the cost is expected to be recovered. The Company currently amortizes deferred franchise commissions over a ten-year period once the location becomes operational.

Income Taxes

As a limited liability company, the Company's taxable income or loss is allocated to members in accordance with their respective percentage ownership. Therefore, no provision for income taxes has been included in the financial statements.

The Company evaluates its tax positions that have been taken or are expected to be taken on income tax returns to determine if an accrual is necessary for uncertain tax positions. As of December 28, 2025, and December 29, 2024, the unrecognized tax benefit accrual was zero. The Company's policy is to recognize interest expense and penalties related to income tax matters within its provision for income taxes.

Advertising Costs

Advertising costs are expensed as incurred. Such costs approximated $23,428 for period ended December 28, 2025, and $1,795 from the period of inception (May 24, 2024) to December 29, 2024.

Revenue Recognition

The Company currently has no revenue. When the Company begins to initiate development and franchise agreements, the Company will collect a development fee, an initial franchise fee, an initial training fee, and a technology fee. Pre-opening services provided to franchisees will be considered distinct from the franchise license and are recognized during the initial opening period. The Company adopted the accounting policy election to recognize pre-opening services as a single performance obligation. All remaining development and franchise fees will be recognized as revenue over the period of the franchise agreement, commencing when all material initial services or conditions have been substantially performed and the location is operational. The Company sold four franchises during the period ended December 28, 2025 and has deferred a total $925,000 in revenue which comprises development, franchise, initial training and technology fees as the requirements of revenue recognition has not been met. As of May 24, 2024, the Company had no receivables or contract liabilities.

Royalty, national brand fund and technology fees are considered sales-based royalties that are recognized over time as the franchisee receives the benefits from the services as they are provided. Generally, royalty, national brand fund and technology fees will be billed and collected monthly in arrears at 6%, 2% and .5% of gross weekly sales, respectively. The Company collected no sales-based royalties during 2025 or 2024.

Reclassification

Certain reclassifications of amounts previously reported have been made to the accompanying financial statements to maintain consistency between periods presented. The reclassifications had no impact on net income or member' equity.

Subsequent Events

On March 23, 2026, the Company entered into a license agreement with a 3rd party that grants the licensee the right to establish and operate Birdcall branded restaurants.

The Company has evaluated subsequent events through March 30, 2026, the date which the financial statements were available to be issued.

Note 2 - Related Party Transactions

As of December 28, 2025, the Company had $88,000 due from Birdcall Holdings LLC, the sole member of the Company for cash flow purposes. In addition, the Company had $4,156 due to BC Tech LLC, and $199,112 due to BCR Group LLC which are subsidiaries of Birdcall Holdings LLC for reimbursement of expenses. All amounts are due on demand, with no interest due.

As of December 29, 2024, the Company had amounts due to Birdcall Holdings LLC, the sole member of the Company, for reimbursement of expenses totaling $5,499. Due on demand, with no interest due.

Financial Statements

December 29, 2024

Birdcall Franchising LLC

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Independent Auditor's Report

To the Board of Directors
Birdcall Franchising LLC
Denver, Colorado

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Birdcall Franchising LLC, which comprise the balance sheet as of December 29, 2024, and the related statements of operations and members' capital and cash flows for the period from inception May 24, 2024 to December 29, 2024, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Birdcall Franchising LLC as of December 29, 2024, and the results of its operations and its cash flows for the period from inception May 24, 2024 to December 29, 2024 in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS, we:

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

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

Eide Bailly LLP

April 17, 2025
Denver, Colorado

Birdcall Franchising LLC
Balance Sheet
December 29, 2024

Assets	
Current Assets	
Cash	$ 51,135
Total current assets	51,135
	$ 51,135
Liabilities and Members' Capital	
Current Liabilities	
Due to related party	$ 5,499
Total current liabilities	5,499
Total liabilities	5,499
Member's Capital	45,636
	$ 51,135

Revenues	$ -
Operating Expenses	
General and administrative expenses	(55,401)
Total general and administrative expenses	(55,401)
Total operating expenses	(55,401)
Operating loss	(55,401)
Interest income	1,037
Net loss	$ (54,364)
Beginning Members Capital	$ -
Contributions	100,000
Ending Members Capital	$ 45,636

Operating Activities	
Net loss	$ (54,364)
Changes in assets and liabilities	
Due to related party	5,499
Net Cash from Operating Activities	(48,865)
Financing Activities	
Contributions	100,000
Net Cash from Financing Activities	100,000
Net Change in Cash	51,135
Cash at Beginning of Year	-
Cash at End of Year	$ 51,135
Supplemental Disclosure of Cash Flow Information	
Cash payments for interest	$ -

Note 1 - Principal Business Activity and Significant Accounting Policies

Principal Business Activity

Birdcall Franchising LLC was formed on May 24, 2024 for the purpose of owning and managing franchise restaurant operations and to engage in other general business purposes. The Company has adopted a 52/53-week year end and thus for fiscal year 2024, the Company's yearend is December 29, 2024.

As of December 29, 2024, the Company had no franchisees under contract.

Concentration of Credit Risk

The Company maintains its cash in bank deposit accounts which exceed federally insured limits. Accounts are guaranteed by the Federal Deposit Insurance Corporation (FDIC) up to $250,000 per depositor, per insured bank, for each account ownership category. At December 29, 2024, the Company had approximately $51,135 within FDIC-insured limits.

Estimates

The presentation of the financial statements in conformity with U.S. generally accepted accounting principles 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.

Income Taxes

The Company, with the consent of its stockholders, has elected under the Internal Revenue Code to be taxed as an S Corporation. The stockholders of an S Corporation are taxed on their proportionate share of the Company's taxable income. Therefore, no provision or liability for federal income taxes has been included in the financial statements. Certain specific deductions and credits flow through the Company to its stockholders.

The Company evaluates its tax positions that have been taken or are expected to be taken on income tax returns to determine if an accrual is necessary for uncertain tax positions. As of December 29, 2024, the unrecognized tax benefit accrual was zero. The Company's policy is to recognize interest expense and penalties related to income tax matters within its provision for income taxes.

Advertising Costs

Advertising costs are expensed as incurred. Such costs approximated $1,795 from the period of inception (May 24, 2024) to December 29, 2024.

Revenue Recognition

The Company currently has no revenue. When the Company begins to initiate franchise agreements, the Company will collect an initial franchise fee, along with an initial training fee and will incur initial contract costs when a franchise is sold. Pre-opening services provided to franchisees will be considered distinct from the franchise license and are recognized during the initial opening period. The Company adopted the accounting policy election to recognize pre-opening services as a single performance obligation. All remaining initial franchise fees will be recognized as revenue over the period of the franchise agreement, commencing when all material initial services or conditions have been substantially performed. The Company sold no franchises during 2024.

Royalty, national brand fund and technology fees are considered sales-based royalties that are recognized over time as the franchisee receives the benefits from the services as they are provided. Generally, royalty, national brand fund and technology fees will be billed and collected monthly in arrears at 6%, 2% and .5% of gross weekly sales, respectively. The Company collected no sales-based royalties during 2024.

Subsequent Events

The Company has evaluated subsequent events through April 17, 2025, the date which the financial statements were available to be issued.

Note 2 - Related Party Transactions

As of December 29, 2024, the company had amounts due to Birdcall Holdings LLC, the sole member of the Company, totaling $5,499. Due on demand, no interest due.

EXHIBIT H

SAMPLE RELEASE AGREEMENT

SAMPLE RELEASE AGREEMENT

WAIVER AND RELEASE OF CLAIMS

This Waiver and Release of Claims (the "**Release**") is made as of ________________________ by ______________________________________, a(n) ____________________________ ("**Franchisee**"), and each individual holding an ownership interest in Franchisee (collectively with Franchisee, "**Releasor**") in favor of **Birdcall Franchising LLC**, a Colorado limited liability company ("**Franchisor**," and together with Releasor, the "**Parties**").

WHEREAS, Franchisor and Franchisee have entered into a Franchise Agreement ("**Agreement**") pursuant to which Franchisee was granted the right to own and operate a Birdcall Restaurant ("**Franchised Business**");

WHEREAS, Franchisee has notified Franchisor of its desire to transfer the Agreement and all rights related thereto, or an ownership interest in Franchisee, to a transferee **(enter into a successor franchise agreement)**, and Franchisor has consented to such transfer **(agreed to enter into a successor franchise agreement)**; and

WHEREAS, as a condition to Franchisor's consent to the transfer **(Franchisee's ability to enter into a successor franchise agreement)**, Releasor has agreed to execute this Release upon the terms and conditions stated below.

NOW, THEREFORE, in consideration of Franchisor's consent to the transfer **(Franchisor entering into a successor franchise agreement)**, and for other good and valuable consideration, the sufficiency and receipt of which are hereby acknowledged, and intending to be legally bound, Releasor hereby agrees as follows:

1. Representations and Warranties. Releasor represents and warrants that it is duly authorized to enter into this Release and to perform the terms and obligations herein contained, and has not assigned, transferred, or conveyed, either voluntarily or by operation of law, any of its rights or claims against Franchisor or any of the rights, claims, or obligations being terminated and released hereunder. The undersigned represents and warrants that he/she is duly authorized to enter into and execute this Release on behalf of Franchisee. Releasor further represents and warrants that all individuals that currently hold a direct or indirect ownership interest in Franchisee are signatories to this Release.

2. Release. Releasor and its subsidiaries, affiliates, parents, divisions, successors and assigns, and all persons or firms claiming by, through, under, or on behalf of any or all of them, hereby release, acquit, and forever discharge Franchisor, any and all of its affiliates, parents, subsidiaries, or related companies, divisions, and partnerships, and its and their past and present officers, directors, agents, partners, shareholders, employees, representatives, successors and assigns, and attorneys, and the spouses of such individuals (collectively, the "**Released Parties**"), from any and all claims, liabilities, damages, expenses, actions, or causes of action which Releasor may now have or has ever had, whether known or unknown, past or present, absolute or contingent, suspected or unsuspected, of any nature whatsoever, including without limiting the generality of the foregoing, all claims, liabilities, damages, expenses, actions, or causes of action directly or indirectly arising out of or relating to Franchised Business, the execution and performance of the Agreement and the offer and sale of the franchise related thereto.

3. Nondisparagement. Releasor expressly covenants and agrees not to make any false representation of facts, or to defame, disparage, discredit, or deprecate any of the Released Parties or otherwise communicate with any person or entity in a manner intending to damage any of the Released Parties, their business, or their reputation.

4. Miscellaneous.

a. Releasor agrees that it has read and fully understands this Release and that the opportunity has been afforded to Releasor to discuss the terms and contents of said Release with legal counsel and/or that such a discussion with legal counsel has occurred.

b. This Release shall be construed and governed by the laws of the State of Colorado.

c. Each individual and entity that comprises Releasor shall be jointly and severally liable for the obligations of Releasor.

d. In the event that it shall be necessary for any Party to institute legal action to enforce or for the breach of any of the terms and conditions or provisions of this Release, the prevailing Party in such action shall be entitled to recover all of its reasonable costs and attorneys' fees.

e. All of the provisions of this Release shall be binding upon and inure to the benefit of the Parties and their current and future respective directors, officers, partners, attorneys, agents, employees, shareholders, and the spouses of such individuals, successors, affiliates, and assigns. No other party shall be a third-party beneficiary to this Release.

f. This Release constitutes the entire agreement and, as such, supersedes all prior oral and written agreements or understandings between and among the Parties regarding the subject matter hereof. This Release may not be modified except in a writing signed by all of the Parties. This Release may be executed in multiple counterparts, each of which shall be deemed an original and all of which together shall constitute but one and the same document.

g. If one or more of the provisions of this Release shall for any reason be held invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect or impair any other provision of this Release, but this Release shall be construed as if such invalid, illegal, or unenforceable provision had not been contained herein.

h. The Parties agree to do such further acts and things and to execute and deliver such additional agreements and instruments as any Party may reasonably require to consummate, evidence, or confirm the Release contained herein in the matter contemplated hereby.

i. The General Release does not apply with respect to claims arising under the Washington Franchise Investment Protection Act, chapter 19.100 RCW, or the rules adopted thereunder in accordance with RCW 19.100.220(2).

(Signatures on following page)

IN WITNESS WHEREOF, Releasor has executed this Release as of the date first written above.

FRANCHISEE:

____, a

____

By: ______________________________________

Name: ___________________________________

Its: ______________________________________

FRANCHISEE'S OWNERS:

____
Signature

____
Typed or Printed Name

____
Signature

____
Typed or Printed Name

____
Signature

____
Typed or Printed Name

EXHIBIT I

STATE EFFECTIVE DATES

STATE EFFECTIVE DATES

The following states require that the Franchise Disclosure Document be registered or filed with the state, or be exempt from registration: California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington and Wisconsin.

This document is effective and may be used in the following states, where the document is filed, registered or exempt from registration as of the Effective Date stated below:

STATE	EFFECTIVE DATE
California	
Hawaii	
Illinois	
Indiana	
Maryland	
Michigan	
Minnesota	
New York	
North Dakota	
Rhode Island	
South Dakota	
Virginia	
Washington	Pending
Wisconsin	

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 Birdcall Franchising LLC offers you a franchise, Birdcall Franchising LLC 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.

If Birdcall Franchising 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 and state law may have occurred and should be reported to the Federal Trade Commission, Washington, DC 20580.

Franchise Seller: Mark Lohmann, 855 Wyandot Street, Suite 102, Denver, Colorado 80204, (312) 231-2788 or ____.

I have received a franchise disclosure document issued on April 7, 2026. This disclosure document included the following exhibits: A. List of State Administrators/Agents for Service; B. Franchise Agreement; C. Development Agreement; D. Confidentiality Agreement; E. List of Franchisees; F. State Specific Addenda; G. Financial Statements; H. Sample Release; and I. State Effective Dates.

Issuance Date: April 7, 2026
Date of Receipt: _________________________

Signature	Print Name
Signature	Print Name
Signature	Print Name
Signature	Print Name
Signature	Print Name
Company Name	Street Address
Telephone Number	City, State Zip Code

TO BE RETAINED BY YOU

RECEIPT

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Issuance Date: April 7, 2026

Date of Receipt: ________________________

______________________________	______________________________
Signature	Print Name
______________________________	______________________________
Signature	Print Name
______________________________	______________________________
Signature	Print Name
______________________________	______________________________
Signature	Print Name
______________________________	______________________________
Signature	Print Name
______________________________	______________________________
Company Name	Street Address
______________________________	______________________________
Telephone Number	City, State Zip Code

TO BE RETURNED TO US