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DEPARTMENT OF BUSINESS OVERSIGHT SAN FRANCISCO

FRANCHISE DISCLOSURE DOCUMENT

Boardwalk Fresh Burgers and Fries, Inc
a Delaware corporation
trading as (t/a) Boardwalk Fries Burgers Shakes
9220 Rumsey Road, Suite 101
Columbia, Maryland 21045
(410) 715-0500
www boardwalkfries com
dave@boardwalkfries com

BOARDWALK

| FRIES | BURGERS | SHAKES |

The franchise offered is for a fast casual restaurant operating under the name "Boardwalk Fries Burgers Shakes" offering french fries, fresh hamburger sandwiches and fountain products

The total investment necessary to begin operation of a Boardwalk Fries Burgers Shakes franchise is $174,500 to $626,000 This includes $30,000 to $75,000 that must be paid to the franchisor and/or its affiliate, as appropriate ~~Please see Items 5 and 7 for additional details~~

We may sell rights to individuals or entities to develop a number of restaurants within a specified area If you are a multi-unit operator, you will pay a development fee equal to $30,000 for each Restaurant to be developed under the Multi-Unit Operator Agreement The development fee is applied pro rata to the initial franchise fees due for each Restaurant to be developed The total investment necessary will vary based on the number of Restaurants to be developed

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 the disclosure document at least 14 calendar days before you sign a binding agreement with, or make any payment to the franchisor or an affiliate in connection with the proposed franchise sale **Note, however, that no government 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 David DiFerdinando, Boardwalk Fresh Burgers and Fries, Inc , 9220 Rumsey Road, Columbia, Maryland 21045 and 410-715-0500

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

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

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

Issuance Date   ~~April 1, 2016~~May 11, 2017

STATE COVER PAGE

Your state may have a franchise law that requires a franchisor to register or file with a state franchise administrator before offering or selling in your state REGISTRATION OF A FRANCHISE BY A STATE DOES NOT MEAN THAT THE STATE RECOMMENDS THE FRANCHISE OR HAS VERIFIED THE INFORMATION IN THIS DISCLOSURE DOCUMENT

Call the state franchise administrator listed in Exhibit I for information about the franchisor or about franchising in your state

MANY FRANCHISE AGREEMENTS DO NOT ALLOW YOU TO RENEW UNCONDITIONALLY AFTER THE INITIAL TERM EXPIRES YOU MAY HAVE TO SIGN A NEW AGREEMENT WITH DIFFERENT TERMS AND CONDITIONS IN ORDER TO CONTINUE TO OPERATE YOUR BUSINESS BEFORE YOU BUY, CONSIDER WHAT RIGHTS YOU HAVE TO RENEW YOUR FRANCHISE, IF ANY, AND WHAT TERMS YOU MIGHT HAVE TO ACCEPT IN ORDER TO RENEW

Please consider the following RISK FACTORS before you buy this franchise

1 THE FRANCHISE AGREEMENT AND MULTI-UNIT OPERATOR AGREEMENT REQUIRE YOU TO RESOLVE DISPUTES WITH US BY ARBITRATION ONLY IN MARYLAND OUT OF STATE MEDIATION AND ARBITRATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES IT MAY ALSO COST MORE TO MEDIATE OR ARBITRATE WITH US IN MARYLAND THAN IN YOUR OWN STATE

2 THE FRANCHISE AGREEMENT AND MULTI-UNIT OPERATOR AGREEMENT STATE THAT MARYLAND LAW GOVERNS THE AGREEMENTS, AND THIS LAW MAY NOT PROVIDE THE SAME PROTECTIONS AND BENEFITS AS LOCAL LAW YOU MAY WANT TO COMPARE THESE LAWS

3 YOUR SPOUSE MAY BE REQUIRED TO SIGN A PERSONAL GUARANTY MAKING YOUR SPOUSE INDIVIDUALLY LIABLE FOR YOUR FINANCIAL OBLIGATIONS UNDER THE AGREEMENT THE GUARANTEE WILL PLACE YOUR SPOUSE'S MARITAL AND PERSONAL ASSETS AT RISK IF YOUR FRANCHISE FAILS

4 IN THE LAST YEAR, 28 6% OF OUR EXISTING FRANCHISEES CEASED OPERATIONS THIS FRANCHISE COULD BE A HIGHER RISK INVESTMENT THAN A FRANCHISE IN A SYSTEM WITH A LOWER TURNOVER RATE

5 THERE MAY BE OTHER RISKS CONCERNING THIS FRANCHISE

We use the services of one or more FRANCHISE BROKERS or referral sources to assist us in selling our franchise A franchise broker or referral source represents us, not you We pay this person a fee for selling our franchise or referring you to us You should be sure to do your own investigation of the franchise

Effective Date See next page for state effective dates

STATE EFFECTIVE DATES

The following states require that this 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 Disclosure Document is either not registered or registered, on file or exempt from registration in the following states having franchise registration and disclosure laws, with the following effective dates

California	~~June 28, 2016~~
Hawaii	
Illinois	~~May 24, 2016~~
Indiana	
Maine	EXEMPT
Maryland	Not applicable
Michigan	May 23, 2017
Minnesota	
New York	June 30, 2010, amended as of ~~August 9, 2016~~
North Dakota	
Rhode Island	
South Dakota	
Virginia	~~June 27, 2016~~
Washington	
Wisconsin	

This Disclosure Document is not required to be registered in the following states, but an exemption has been filed as required by the state's business opportunity laws and this Disclosure Document is effective as of the date specified below

Connecticut	EXEMPT
Florida	May 22, ~~2016~~2017
Kentucky	August 10, 2011
Nebraska	
North Carolina	EXEMPT
South Carolina	EXEMPT
Texas	
Utah	

This Disclosure Document is not required to be registered and an exemption is not required to be filed in the following states and this Disclosure Document is effective as of the Date of Issuance Alabama, Alaska, Arizona, Arkansas, Colorado, Delaware, Georgia, Idaho, Iowa, Kansas, Louisiana, Massachusetts, Mississippi, Missouri, Montana, Nevada, New Hampshire, New Jersey, New Mexico, Ohio, Oklahoma, Oregon, Pennsylvania, Tennessee, Vermont, West Virginia and Wyoming

TABLE OF CONTENTS

EXHIBITS

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

The Franchisor

Boardwalk Fresh Burgers and Fries, Inc , trading as (t/a) Boardwalk Fries Burgers Shakes, (referred to in this Disclosure Document as "Boardwalk Fries Burgers Shakes," "we," "us," or "our") was formed as a Delaware corporation on July 7, 2008 Our principal place of business is 9220 Rumsey Road, Suite 101, Columbia, Maryland 21045 and we do business under our corporate name and the Marks as described below In this Disclosure Document, we refer to the person or entity that will be signing the Franchise Agreement (defined below) as "you," "your," or "franchisee,' which includes all franchise owners and partners, if you are a corporation, partnership or other entity

We are a franchising company which promotes and sells franchises for the operation of restaurants known as "Boardwalk Fresh Burgers and Fries®" and Boardwalk Fries Burgers Shakes ("Restaurants" or "Franchised Business") We have offered franchises since March 2010 and do not offer franchises in any other line of business We discontinued offering Area Representative (Development Agent) franchises in January 2015 We do not own or operate a restaurant of the type being franchised Area representatives do not have management responsibility relating to the sale or operation of franchises

Our agents for service of process are listed in Exhibit I

~~We have written the Disclosure Document in "plain English" to comply with legal requirements Any differences in the language in this Disclosure Document describing the terms, conditions or obligations under the Franchise Agreement, Multi Unit Operator Agreement or any other agreements is not intended to alter in any way your or our rights or obligations under the particular agreement~~

Our Parents, Predecessors and Affiliates

We do not have a predecessor We have three affiliates One of our affiliates, Boardwalk Fries, Inc , through its parent D's, Inc , another of our affiliates, is conveying to us certain existing franchise locations that became our franchises in exchange for stock (see below) effective July 1, 2009 Boardwalk Fries, Inc does not offer franchises

Our affiliate, D's, Inc , is a Maryland company formed on July 31, 1981, and headquartered at our address D's, Inc has never offered franchises in this or any other business D's, Inc will not guarantee our performance D's, Inc is the parent company of our affiliate, Boardwalk Fries, Inc , whose information is listed later in this section

D's, Inc , has been in the business of operating Boardwalk Fries retail locations (see below) since its incorporation in 1981 D's, Inc does not own and operate a Boardwalk Fries-Burgers Shakes.

On September 15, 2011, D's Inc received 500,000 shares in us of preferred stock valued at $500,000 in exchange for assigning to us ownership of certain assets of D's, Inc 's subsidiary, Boardwalk Fries, Inc These assets were five Boardwalk Fresh Burgers & Fries and Boardwalk Fries and Burgers franchisees belonging to Boardwalk Fries, Inc in Virginia, Georgia, Florida and California franchisees, as well as other assets described below The assets conveyed by Boardwalk Fries, Inc (through its parent D's, Inc) were as follows

FRANCHISE AGREEMENTS

(1) Franchise Agreement dated January 26, 2009 between Boardwalk Fries, Inc and Frytastic, Inc (Alexandria, VA)

(2) Franchise Agreement dated March 31, 2008 between Boardwalk Fries, Inc and Mark Detrick and Tony Ratliff (Georgia)

(3) Franchise Agreement dated January 29, 2010 between Boardwalk Fries, Inc and Boardwalk Boca One, LLC (Boca Raton, Florida)

(4) Franchise Agreement dated October 29, 2010 between Boardwalk Fries, Inc and Boardwalk Orlando One, LLC (Orlando, Florida)

(5) Franchise Agreement between Boardwalk Fries, Inc and Roland Jaworski dated May 14, 2007 (California)

DEVELOPMENT AGREEMENTS

(1) Development Agent Agreement with Mark Detrick and Tony Ratliff, dated March 31, 2008, to serve as an area developer for the Company and its Fresh Burgers and Fries franchises in the State of Georgia

(2) Development Agreement with James D Stump and Jennifer Stump, dated July 1, 2008, to open in an area of West/Central Virginia along portions of the Interstate 81 and Interstate 64 corridors three Fresh Burgers and Fries stores, the first by July 1, 2009, the second by July 1, 2010 and the third by July 1, 2011

(3) Development Agent Agreement with Boardwalk Master Franchisee, LLC, dated January 29, 2010, to serve as a development agent in the State of Florida

One of our affiliates is Branded Concepts, Inc , a Nevada company formed on September 27, 1996, and headquartered at 9220 Rumsey Road, Suite 101, Columbia, Maryland 21045 Branded Concepts, Inc is the ~~franchisor~~licensor of several Boardwalk Fries frozen French fry ~~franchises~~licenses, which sell a prepackaged frozen version of the fresh cut fries you will sell These ~~franchises~~licenses may be a Boardwalk Fries Kiosk, Cart, or In-Line Facility. Branded Concepts, Inc. has 51 licensees as of December 31, 2016

Branded Concepts, Inc has offered these ~~franchises~~licenses since May, 1997 Branded Concepts, Inc does not operate businesses of the type that it ~~franchises~~licenses

Our other affiliate is Boardwalk Fries, Inc , a Maryland company formed in March 1983 and headquartered at 9220 Rumsey Road, Suite 101, Columbia, Maryland 21045 Boardwalk Fries, Inc operates ~~3~~2 franchises selling fresh cut french fries similar to those you will sell, as well as other products Boardwalk Fries, Inc does not sell fresh hamburgers Boardwalk Fries (and its parent D's, Inc) has assigned six Boardwalk Fries franchises to us in exchange for 500,000 shares of our preferred stock to be held and owned by D's, Inc This transaction took place on July 1, 2009, but has not formally closed (see above)

Neither we nor any of our affiliates engage in or have offered franchises in any other line of business, but we or our affiliates may establish these businesses at a future date

Description of Franchise

We offer franchises for the right to establish and operate a fast casual restaurant offering french fries, fresh hamburger sandwiches and fountain products ("Restaurant" or "Franchised Restaurant"), as well as any other food and beverage products that we incorporate into the System The Restaurants operate under the trade name and mark "Boardwalk Fresh Burgers and Fries" and Boardwalk Fries Burgers Shakes, and the additional principal service marks, trademarks, trade names, logos, emblems and indicia of origin identified in Item 13 These principal marks and all other marks which may be designated by us in the future in writing for use with the System (defined below) are referred to in this Disclosure Document as the "Marks" or "Proprietary Marks" The Proprietary Marks are owned by our affiliate, D's, Inc , which has given us a non-exclusive license to use and sublicense the use of the Proprietary Marks, as described in Item 13

Boardwalk Fries Burgers Shakes Restaurants are operated under the Marks and the System in accordance with the terms of the Franchise Agreement The Restaurants may be established in a variety of locations including strip shopping centers and, free standing buildings and shopping malls Generally, a Boardwalk Fries Burgers Shakes restaurant has approximately 2,000 to 3,500 square feet and maintains seating for approximately 25-60 dine-in patrons

The Restaurants are established and operated under a comprehensive and unique system (the "System") The System includes distinctive signage, interior and exterior design, decor and color scheme, special recipes and menu items, including proprietary products and ingredients, uniform standards, specifications, and procedures for operations, quality and uniformity of products and services offered, inventory, management and financial control procedures (including point of sale and tracking systems), training and assistance, and advertising and promotional programs, all of which we may change, improve, and further develop, in our discretion Certain aspects of the System are more fully described in this Disclosure Document and the Manuals, which you should expect to evolve over time, that are provided to you as a franchisee (described in Item 11)

Current Boardwalk Fresh Burgers and Fries and Boardwalk Fries Burgers Shakes Restaurants will begin, during the third quarter of calendar year 2014, to change their signage to reflect our new logo and name, Boardwalk Fries Burgers Shakes All else about each store will not change

Franchise Agreement

We offer the right to establish and operate a Restaurant under the terms of a single unit franchise agreement within a specific Territory (the "Franchise Agreement"), Exhibit B to this Disclosure Document You may be an individual, corporation, partnership or other form of legal entity Under the Franchise Agreement, certain parties are characterized as Franchisee's Principals (referred to in this Disclosure Document as "your Principals") The Franchise Agreement is signed by us, by you, and by those of your Principals whom we designate as Controlling Principals In most instances, we will designate your principal equity owners and executive officers, and certain affiliated entities as Controlling Principals By signing the Franchise Agreement, your Controlling Principals agree to be individually bound by certain obligations in the Franchise Agreement, including covenants concerning confidentiality and non-competition, and to personally guarantee your performance under the Franchise Agreement ~~(see Item 15)~~. Depending on the type of business activities in which you or your Principals may be involved, we may require you or your Principals to sign additional confidentiality and non-competition agreements

~~You must also designate a "General Manager" who will be the main individual responsible for operating your Restaurant We recommend that you act as the General Manager~~

Multi-Unit Operator Agreement

In certain circumstances, we will offer to you the right to sign a Multi-Unit Operator Agreement in the form attached as Exhibit C to this Disclosure Document (the "Multi-Unit Operator Agreement") to develop multiple franchised Restaurants to be located within a specifically described geographic territory (the "Exclusive Area") We will determine the Exclusive Area before you sign the Multi-Unit Operator Agreement and it will be included in the Multi-Unit Operator Agreement Under the Multi-Unit Operator Agreement, you must establish a certain number of Boardwalk Fries Burgers Shakes Restaurants (at least three Restaurants) within the Exclusive Area according to a development schedule, and sign a separate Franchise Agreement for each Restaurant established under the Multi-Unit Operator Agreement The Franchise Agreement for the first Restaurant developed under the Multi-Unit Operator Agreement will be in the form attached as Exhibit B to this Disclosure Document For each additional Restaurant developed under the Multi-Unit Operator Agreement, you must sign the form of Franchise Agreement that we are then offering to new franchisees The size of the Exclusive Area will vary depending upon local market conditions and the number of Restaurants to be developed~~ (see Item 12)~~.

The person or entity signing the Multi-Unit Operator Agreement is referred to as the "Multi-Unit Operator" The Multi-Unit Operator Agreement contains concepts similar to the Franchise Agreement involving the "Multi-Unit Operator's Principals "

Market and Competition

The market for fast casual restaurants in general is well developed and intensely competitive You will serve the general public and will compete with a variety of businesses, including locally owned to regional, national and chain restaurants, some of which may be franchise systems We may establish other Restaurants in your area (if permitted under the Franchise Agreement) and/or sell or license others to sell products in your area Also we may sell products through the Internet, toll-free telephone numbers, catalogs, or other similar means of distribution to customers at any location, which may be located in your area ~~See Items 12 and 16 for a description of your permitted activities and your rights, and our permitted and restricted activities and rights~~

Industry Regulations

Many of the laws, rules and regulations that apply to business generally have particular applicability to Boardwalk Fries Burgers Shakes Restaurants All Restaurants must comply with federal, state and local laws applicable to the operation and licensing of a food service business, including obtaining all applicable health permits and/or inspections and approvals by municipal, county or state health departments that regulate food service operations If applicable to your Restaurant, the Americans with Disability Act of 1990 requires readily accessible accommodation for disabled persons and therefore may affect your building construction, site elements, entrance ramps, doors, bathrooms, drinking facilities, etc You should consider these laws and regulations when evaluating your purchase of a franchise

Among the licenses and permits you may need are Zoning or Land Use Approvals, Sunday Sale Permits, Sales and Use Tax Permits, Special Tax Stamps, Fire Department Permits, Food Establishment Permits, Health Permits, Alarm Permits, County Occupational Permits, Retail Sales Licenses, and Wastewater Discharge Permits There may be other laws, rules or regulations which affect your Restaurant, including minimum wage and labor laws along with ADA, OSHA and EPA considerations We recommend that you consult with your attorney for an understanding of them

Each of your managers and other employees we designate must be ServSafe Certified Professional Food Managers or other similar requirements

The U S Food and Drug Administration, the U S Department of Agriculture and state and local health departments administer and enforce regulations that govern food preparation and service and sanitary conditions State and local agencies inspect Restaurants to ensure that they comply with these laws and regulations

The federal Clean Air Act and various state laws require certain state and local areas to meet national air quality standards limiting emissions of ozone, carbon monoxide and particulate matters, including caps on emissions from commercial food preparation Some state and local governments have also adopted, or are considering proposals, that would regulate indoor air quality, including the limitation of smoking tobacco products in public places such as Boardwalk Fries Burgers Shakes Restaurants

ITEM 2
BUSINESS EXPERIENCE

President and Chief Executive Officer – David DiFerdinando

Mr DiFerdinando has been our President and CEO located in Columbia, Maryland since our inception in July 2008 He has also been a Director of Boardwalk Fries, Inc , located in Columbia, Maryland, since 1983

Executive Vice President and Chief Operating Officer – Francis DiFerdinando

Mr DiFerdinando has been our Executive Vice President and one of our Directors located in Columbia, Maryland since our inception~~-~~ in July 2008. He has also been Executive Vice President of Boardwalk Fries, Inc located in Columbia, Maryland since 1983 He has been our Chief Operating Officer located in Columbia, Maryland since January 18, 2012

~~**Vice President and General Counsel – Thomas A Sheehan**~~

~~Mr Sheehan has been our Vice President and General Counsel since our inception Since February 1987, he has also been Vice President and General Counsel for Boardwalk Fries, Inc~~

Vice President – Franchise Development – Lalit Patel

Mr Lalit (a/k/a Lucky) Patel has been our Vice President of Franchise Development located in Portland, Oregon since March 2011 He has been our Development Agent for Oregon and Washington since March 2011, located in Portland, Oregon Mr Patel has also been a Baha Fresh Franchisee in Portland, Oregon since January 2009 From January 2009 to January 2012, he was a Subway Franchisee in Portland, Oregon

Associate Director of Franchise Operations – John F. DiFerdinando, Sr.

Mr. DiFerdinando has been our Associate Director of Franchise Operations located in Columbia, Maryland since February, 2017. Since June 2012, he has been Operations Manager with Boardwalk Fries, Inc. located in Columbia, Maryland.

Operations Manager – Joseph Beckhardt

Mr Beckhardt has been our Operations Manager located in Columbia, Maryland since our inception in July 2008 and has ~~held a similar position~~been Operations Manager with our predecessor located in Columbia, Maryland since December, 1996

See Exhibit D-1 for a list of our Development Agents

ITEM 3
LITIGATION

1 In the Matter of Boardwalk Fries, Inc Administrative Proceeding Before the Securities Commissioner of Maryland, Case No 2000-0699 On November 6, 2000, our Predecessor, Boardwalk Fries, Inc , entered into a Consent Order with the Maryland Securities Commissioner pursuant to an investigation by the Maryland Securities Commission that was in response to a complaint filed with the Commission by a Maryland franchisee of Boardwalk Fries, Inc Boardwalk Fries, Inc agreed with the conclusions of the Securities Commissioner that the franchisor violated §14 214 and §14 229 of the Maryland Franchisee Law in the unlawful offer and sale of a franchise in Maryland after the expiration of Boardwalk Fries, Inc 's Maryland registration The Consent Order, as entered into by Boardwalk Fries, Inc , also states that the Boardwalk Fries, Inc represented the violation was inadvertent While seeking to find a new franchisee for an existing closed location still belonging to an inactive franchisee, Boardwalk Fries, Inc , among other things, sold the location without providing the buyer/franchisee a Franchise Disclosure Document for that State of Maryland, without involving a former franchisee in the negotiation and sale of the franchise, and without having the former franchisee execute documents conveying the franchise to the new franchisee, instead executing the documents itself Boardwalk Fries, Inc also entered into a new franchise agreement with the buyer/franchisee and sold the location after the location had been closed for almost two months Boardwalk Fries, Inc offered full rescission and monetary payment to the complaining franchisee, which was accepted by the franchisee

Pursuant to the Consent Order, Boardwalk Fries, Inc agreed to cease any sales and offer of franchises in violation of the Maryland Franchise Law, offered rescission as stated above, instituted internal compliance procedures to insure compliance with the Maryland Franchise Law, and agreed to disclose the Terms of the Consent Order to all future prospective franchisees per this Item 3

2 In the Matter of Boardwalk Fries, Inc , Branded Concepts, Inc and David DiFerdinando, ("Respondents"), Administrative Proceeding Before the Securities Commissioner of Maryland, Case No 2007-0278 As a result of an investigation into the franchise related activities of Respondents, the Maryland Securities Commissioner ("Commissioner") concluded that grounds existed to allege that Respondents violated the registration and disclosure provisions of the Maryland Franchise Law, a previous Consent Order of the Commissioner, and an Escrow Order of the Commissioner, in relation to the offer and sale of Boardwalk Fries franchises

The allegations and findings by the Securities Commissioner were that Boardwalk Fries, Inc

(a) Failed to maintain and use an approved escrow account for franchise fees in the State of Maryland, despite a 1996 order to do so

(b) Sold two franchises in the State of Maryland during a lapse in its and its affiliate Branded Concepts, Inc Maryland franchise registrations

(c) Sold two franchises during the investigation despite a verbal instruction from the Commissioner not to do so

On April 9, 2008, the Commissioner and Respondents entered into a consent order whereby Respondents agreed to

(i) Immediately and permanently cease from the offer and sale of franchises in violation of the Maryland Franchise Law

(ii) Register its franchise offering in Maryland

(iii) To pay the Office of the Attorney General the sum of $2,500 as a partial reimbursement of the cost of its investigation

(iv) To employ a monitor approved by the Securities Division for a period of two years from the date of the renewal registration of Boardwalk Fries, Inc and to submit monthly sales reports to the Maryland Securities Division for Boardwalk Fries, Inc franchise sales and to otherwise ensure sales compliance by Boardwalk Fries, Inc in the State of Maryland

(v) To maintain and use an approved escrow account in the State of Maryland for all franchise fees pertaining to Maryland residents or franchise locations in the State of Maryland

(vi) To offer rescission of franchise rights to four Maryland franchises

Pursuant to those Consent Orders, Boardwalk Fries has agreed to cease any sales and offer of franchises in violation of the Maryland Franchise Law, will offer rescission as stated above, will institute internal compliance procedures to insure compliance with the Maryland Franchise Law, and will agree to disclose the Terms of the Consent Order to all future prospective franchisees per this Item 3

3 Toler Corporation, us and Larry G Toler, Plaintiffs Boardwalk Fries, Inc , D's, Inc t/a Boardwalk Fries and Grove Harvest Corporation , Defendants Circuit Court for Howard County, Maryland (Case No B-C-07-068475N) On March 15, 2007, the plaintiffs commenced this action against Boardwalk Fries, Inc , D's, Inc and Grove Harvest Corporation alleging violation of the Maryland Franchise Registration and Disclosure Law by Boardwalk Fries, Inc and D's, Inc and breach of contract by Grove Harvest Corporation relating to a sale to the Plaintiff of Boardwalk Fries franchise in Baltimore, Maryland Boardwalk Fries, Inc and D's, Inc denied the Plaintiff's allegations that they had violated the Maryland Franchise Registration and Disclosure Law in the sale of the franchise The Plaintiffs sought damages from Boardwalk Fries, Inc and D's, Inc in the amount of $175,000 pursuant to Section 14-227 of the Maryland Franchise Law as well as $65,000 for lost salary plus, reasonable attorneys' fees and costs In March 2008, in order to avoid further involvement in protracted and costly litigation, all parties with the exception of Grove Harvest Corporation signed a Settlement Agreement wherein Boardwalk Fries agreed to pay the Plaintiffs a total of $35,000 in full satisfaction of all of the Plaintiff's claims

Except for these three actions, no litigation is required to be disclosed in this Item

ITEM 4
BANKRUPTCY

No bankruptcy is required to be disclosed in this Item

ITEM 5
INITIAL FEES

Franchise Agreement You must pay a uniform initial franchise fee of $30,000 ("Initial Franchise Fee") The Initial Franchise Fee is paid in a lump sum when you sign the Franchise Agreement and is not refundable The sum of $30,000 is payable by all franchisees who buy a franchise The Initial Franchise Fee is used in part for working capital and in part for profit If you sign a lease which informs your landlord that the lease and premises will be a Boardwalk Fries Burgers Shakes, you must sign our Franchise Agreement and pay us the initial Thirty Thousand Dollars ($30,000 00) Franchise Fee concurrent with the execution of your lease if the Franchisee has not been previously paid

Broker's Fee If you purchase an existing Boardwalk Fries Burgers Shakes Restaurant, you may have to pay a broker's fee of up to $25,000 If we have listed the Restaurant for sale, this fee will be payable to us The Broker's Fee is paid in a lump sum when you sign the Franchise Agreement for the existing Boardwalk Fries Burgers Shakes Restaurant and is not refundable

Site Review Costs If you choose to use our approved supplier~~,~~ to assist you with site selection, you must pay our site review costs of between $5,000 and $20,000, and you must reimburse our out-of-pocket expenses related to site review assistance The amount of the site review costs will vary depending on our level of involvement in the site selection process The site review costs are payable when we ~~approve~~accept the location for your Restaurant and are not refundable

Multi-Unit Operator Agreement When you sign the Multi-Unit Operator Agreement, you must pay us a development fee equal to $30,000 for each Restaurant to be developed under the Multi-Unit Operator Agreement For each Restaurant developed, we will apply $30,000 toward the Initial Franchise Fee due under the Franchise Agreement The development fee must be paid in a lump sum and is non-refundable

There are no other purchases from or payments to us or any affiliate of ours that you must make before your Restaurant opens

ITEM 6
OTHER FEES

Fees (1)	Amount	Due Date	Remarks
Royalty Fee (2)	6% of Gross Sales	Payable weekly on Monday (unless Monday is not a business day, then it is due on the next business day)	Royalty Fees are calculated based on Gross Sales for the previous week ending Sunday Amounts due will be withdrawn by EFT from your designated bank account
Marketing Fee (3)	2% of Gross Sales	Payable together with the Royalty Fee	The Marketing Fund is described in Item 11 We have the right to increase this fee to 3% of Gross Sales on 30 days notice to you
Local Advertising	1% of Gross Sales	Must be spent monthly	You will spend this money directly with your local advertising vendors All advertising must be approved by us before you use it

Fees (1)	Amount	Due Date	Remarks
Cooperative Advertising (4)	As determined by Cooperative	As determined by Cooperative	If an advertising cooperative is formed for your area, you must join the cooperative Any money you contribute to a cooperative will count toward your local advertising requirement of 1% of Gross Sales
Initial Training (For New or Replacement Employees)	Our then-current per person training fee, plus expenses Current per person training fee for 14 days = ~~$$~~$2,000	Before Training	Training for two people is included in the Initial Franchise Fee If you request that we provide our initial training program to any additional employees, or to new or replacement employees during the term of your Franchise Agreement, you must pay our training fee as well as the trainees' expenses, including travel, lodging, meals and wages
Additional On-Site Training	Our then-current per diem rate per trainer, plus expenses Current per diem rate = $250	When billed	If you request that we provide additional training at your Restaurant, you must pay our daily fee for each trainer we send to your Restaurant, and you must reimburse each trainer's expenses, including travel, lodging and meals
Interest	1 5% per month or the highest rate allowed by applicable law, whichever is less	On demand	Interest may be charged on all overdue amounts

Fees [1]	Amount	Due Date	Remarks
Audit Fee	Cost of audit	When billed	~~Payable~~If any required royalty or other payments due to us are delinquent, or if an inspection should reveal that such payments have been understated in any report to us, we may require an audit of your financial statements. This fee is payable only if we find, after an audit, that you have understated any amount you owe to us or Gross Sales by 2% or more You must also pay the understated amount plus interest
Insufficient Funds Fee	$20 or $50	On demand	A $20 fee is due each time your payment to us (by check or EFT) is refused by your bank for insufficient funds A $50 fee is due ~~if you~~ when you default because you change banks without notice to us
Prohibited Product or Service Fine	$250 per day of use of unauthorized products or services	If incurred	In addition to other remedies available to us
Proprietary Mark Violation	$250 per day	On demand	If you use the Proprietary Marks in a manner we have not authorized, including your continued use of a Proprietary Mark after your Franchise Agreement expires or is terminated
Transfer Fee – Franchise Agreement	$25,000	Submitted with transfer application	No fee charged to an individual or partnership franchisee that transfers its rights, one time only, to a corporate entity controlled by the same interest holders

Fees [1]	Amount	Due Date	Remarks
Transfer Fee – Multi-Unit Operator Agreement	$25,000	Submitted with transfer application	No fee charged to an individual or partnership franchisee that transfers its rights, one time only, to a corporate entity controlled by the same interest holders
Renewal (Franchise Agreement)	$5,000	30 days before expiration of the Franchise Agreement	
Public Offering	Reimbursement of our costs	When billed	You must reimburse our costs for reviewing your proposed offering materials. All materials required for a public offering by federal or state law shall be submitted to us for a limited review prior to being filed with any governmental agency.
Inspection and Testing	$250	With request for approval	Payable if you request that we evaluate a product or supplier that we have not previously approved and that you want to use in your Restaurant Also payable if we remove items from your Restaurant for testing and the items do not meet our specifications ~~(see Item 8)~~
Liquidated Damages	See footnote 5		
POS System Maintenance Fee	$1,~~900~~600 to $2,665	Annually	Payable to the approved supplier for POS system maintenance and support Your cost will depend on which POS system you choose, the number of terminals at your Restaurant and other maintenance options you may choose
Management Fee	$1,000 per week, plus expenses	If incurred	We may step in and manage your Restaurant in certain circumstances We will charge a management fee if we manage your Restaurant, and you must reimburse our expenses

Fees [(1)]	Amount	Due Date	Remarks
Costs and Attorneys' Fees	Will vary under circumstances	On demand	If you default under your agreement, you must reimburse us for the expenses we incur (such as attorneys' fees) in enforcing or terminating your agreement
Indemnification	Will vary under circumstances	On demand	You must reimburse us for the costs we incur if we are sued or held liable for claims that arise from your operation of the Franchised Restaurant or in connection with any offer of your securities, or for costs associated with defending claims that you used the trademarks in an unauthorized manner
Repair, Maintenance, and Remodeling/ Redecorating	Will vary under circumstances	As incurred	Payable to approved suppliers You must regularly clean and maintain your Restaurant and its equipment We may require you to remodel or redecorate your Restaurant to meet our then-current image for all Boardwalk Fries Burgers Shakes Restaurants We will not require you to remodel or redecorate your Restaurant more frequently than every five years
Insurance	Reimbursement of our costs	If incurred	If you do not maintain the required insurance coverages, we have the right (but not the obligation) to obtain insurance on your behalf
ServSafe Certification	$150 per person or the then-current market rate	As needed	Each of your managers and other employees we designate must be ServSafe certified This fee is payable to an approved supplier

Fees (1)	Amount	Due Date	Remarks
Gift Cards	~~Will vary under the circumstances~~$50 initial setup cost, $0.75 cost per card and $25 service fee per month starting with the 2nd month	As incurred	See note 6

Notes

1 All fees described in this Item 6 are non-refundable Except as otherwise indicated in the preceding chart, we uniformly impose all fees and expenses listed and you must pay them to us Except as specifically stated above, the amounts given may be due to changes in market conditions, our cost of providing services and future policy changes At the present time we have no plans to increase payments over which we have control

2 For the purposes of determining the fees to be paid under the Franchise Agreement, "Gross Sales" means the total selling price of all services and products and all income of every other kind and nature related to the Restaurant, whether for cash or credit and regardless of collection in the case of credit If a cash shortage occurs, the amount of Gross Sales will be determined based on the records of the point of sale system and any cash shortage will not be considered in the determination Gross Sales expressly excludes taxes collected from your customers and paid to the appropriate taxing authority and customer refunds or adjustments

We may authorize certain other items to be excluded from Gross Sales Any exclusion may be revoked or withdrawn at any time by us The royalty fee and marketing fee will be withdrawn from your designated bank account by electronic funds transfer ("EFT") weekly on Monday based on Gross Sales for the preceding week ending Sunday If you do not report the Restaurant's Gross Sales, we may debit your account for 120% of the last Royalty Fee and Marketing Fee that we debited If the Royalty Fee and Marketing Fee we debit are less than the Royalty Fee and Marketing Fee you actually owe us, once we have been able to determine the Restaurant's true and correct Gross Sales, we will debit your account for the balance on a day we specify If the Royalty Fee and Marketing Fee we debit are greater than the Royalty Fee and Marketing Fee you actually owe us, we will credit the excess against the amount we otherwise would debit from your account during the following week

If any state imposes a sales or other tax on the royalty fees, then we have the right to collect this tax from you

3 The Marketing Fund is maintained by us to provide national or regional creative materials for the benefit of the System~~ (see Item 11)~~.

4 Cooperatives will include all Restaurants located in a specific geographic area, whether owned by us, our affiliates or our franchisees Each Restaurant has one vote in the cooperative, except that no franchisee (or commonly controlled group of franchisees) may have more than 25% of the total vote, regardless of the number of Restaurants owned No Cooperatives have been established as of the date of this Disclosure Document

5 If we terminate your Franchise Agreement for cause, you must pay us within 15 days after the effective date of termination liquidated damages equal to the average monthly Royalty Fees you

paid to us during the 12 months of operation preceding the effective date of termination multiplied by (a) 24 (being the number of months in two full years), or (b) the number of months remaining in the Agreement had it not been terminated, whichever is higher

6 You must participate in our Gift Card program, which allows a Gift Card that is purchased at any Restaurant to be redeemed at any other Restaurant

ITEM 7
ESTIMATED INITIAL INVESTMENT

YOUR ESTIMATED INITIAL INVESTMENT

Col 1 Type of Expenditure	Col 2 Amount	Col 3 Method of Payment	Col 4 When Due	Col 5 To Whom Payment is to be Made
Initial Franchise Fee (1)	$30,000	Lump Sum	When Franchise Agreement Signed	Us
Site Review Costs (1)	$0 to $20,000	Lump Sum	When Location Approved By Us	Us
Leasehold Improvements (2)	$50,000 to $247,000	As Incurred	As Arranged	General Contractor
Architectural Plans (2)	$2,000 to $19,000	As Arranged	As Arranged	Architect
Layout and Design Fee (2)	$2,500 to $3,000	As Incurred	Upon execution of your lease	Approved Supplier
Furnishings, Equipment and Signage (3)	$40,000 to $150,000	As Arranged	As Arranged	Approved Suppliers
Professional Fees (4)	$2,500 to $5,000	As Arranged	As Arranged	Attorney, Accountant
Lease, Insurance and Utility Deposits (5)	$2,500 to $20,000	As Arranged	As Arranged	Landlord, Insurance and Utility Companies
Travel and Living Expenses While Training (6)	$1,500 to $11,000	As Arranged	As Arranged	Airlines, Hotels, Restaurants, etc
Pre-Opening Expenses (7)	$15,000 to $25,000	As Arranged	As Incurred	Approved Suppliers and Vendors
Grand Opening Advertising (8)	$7,500 to $15,000	As Arranged	30 days before store opening	Approved Suppliers
Opening Inventory and Supplies (9)	$16,000	As Incurred	As Incurred	Approved Suppliers

Col 1 Type of Expenditure	Col 2 Amount	Col 3 Method of Payment	Col 4 When Due	Col 5 To Whom Payment is to be Made
Broker's Fee (10)	$0 to $25,000	Lump Sum	As Incurred	Outside Broker or Us
Additional Funds (11)	$5,000 to $40,000	As Arranged	As Incurred	Third Parties
TOTAL(12)	**$174,500 to $626,000**			

In general, amounts payable to us are non-refundable Amounts payable to others may be refundable based on their policies We do not finance any portion of your initial investment These estimates do not include any Tenant Improvement Allowance you may negotiate

Explanatory Notes

1 ***Initial Franchise Fee, Site Review Costs*** The Initial Franchise Fee is discussed in detail in Item 5 The site review costs are discussed in Item 5 The site review costs are payable if you choose to use our approved supplier to assist you in selecting a site for your Restaurant

2 ***Leasehold Improvements, Architectural Plans*** The typical Boardwalk Fries Burgers Shakes Restaurant will need from 2,000 to 3,500 square feet depending upon the venue and type of location you seek – stand alone on pad, mall inline, kiosk, nontraditional food court, etc Your approved location must be configured and constructed in accordance with our specifications This amount will vary depending upon the size and condition of your premises Monthly rents are estimated between $4,000 and $15,000 and depend upon factors such as size, condition and location of the leased premises This layout and design fee is paid to our approved supplier who will provide your architect with a detailed drawing of your premises in order to expedite and aid your architect's plans for your store

3 ***Furnishings, Equipment and Signage*** You will need to purchase commercial grade stainless steel kitchen equipment and appliances, including fryers, a freezer, microwave, shelves, hot plates, cabinets, counters and a 3-compartment sink, among other things You must also purchase a menu board specifically designed for your leasehold space as well as neon or other sign designed exclusively for your Restaurant You will also need to purchase the point of sale system we specify ~~(see Item 11)~~ and internet service. Signs include exterior and interior signs Local code restrictions may restrict the signage available for certain restaurants and affect the costs

4 ***Professional Fees*** We strongly recommend that you engage an attorney and/or an accountant to advise you concerning this franchise offering Your total costs for professional fees will depend on how much you rely on your advisors and the rates your advisors charge

5 ***Lease, Utility and Insurance Deposits*** These deposits are refundable at the expiration of the term provided you are not in default under the applicable agreement The amount of and requirement to pay these deposits will depend on the terms of your lease and the policies of your utility and insurance companies You also must obtain an insurance policy for your premises immediately upon the execution of a lease for which you have informed the landlord that the lease is for a Boardwalk Fries Burgers Shakes location

6 *Travel and Living Expenses While Training* You must participate in our training programs The cost to provide our initial training program to you and your general manager is included in the initial franchise fee However, you must make arrangements for and pay for your expenses while attending the training program, including transportation, lodging, meals and wages The amount will depend, in part, on the distance you must travel and the type of accommodation you choose

7 *Pre-Opening Expenses* These are costs associated with local codes and licensing such as tap-in fees and related costs which will vary from one jurisdiction to the next You must obtain all necessary business licenses, permits and approvals to operate the Restaurant This includes one year's estimated insurance premium for property and liability insurance You should contact your insurance agent and obtain an estimate of your actual insurance costs

8 *Grand Opening* These amounts will be spent in your local market to generate consumer interest in your Franchised Restaurant A variety of marketing methods will be used by us depending upon your location and market We are in charge of your grand opening advertising campaign and, with your input, will prepare a budget and marketing plan based on your local market specifications The cost for your opening will range from $7,500 to $15,000, depending on your location You must pay these funds to us at least 30 days before your restaurant will open If you request that we build-out your Restaurant for you, you will also pay this money to us

9 *Opening Inventory and Supplies* Includes your opening inventory of food, packaging and other paper goods Also included in this estimate are uniforms, linens, smallwares, first aid supplies, office supplies, initial cleaning supplies, gift cards, menus and other printed items and opening cash drawer ~~The amount of your initial inventory will vary depending on the sales volume you anticipate for your Restaurant and on current market prices~~

10 *Broker's Fee* Depending upon the location of the Restaurant you purchase, a broker's fee may be due, especially if we have listed your new or existing Restaurant with a broker These fees are normally 5% - 12% of the total sale price

11 *Additional Funds* This is an estimate of the funds you will need to have on hand when you open for business to pay initial employee wages and for deliveries of products after depletion of your opening inventory The amount of working capital needed will depend on the time necessary to achieve cash flow to cover operating expenses This amount is the minimum recommended for a six month period Shortfalls of capital may arise from independent factors such as labor shortages, delays in construction and installation of leasehold improvements and equipment, or possible recession If you begin operations with inadequate cash, you may experience a total loss of your investment

This category includes estimated payroll, utilities, vendor, advertising, promotion, Royalties, Advertising Fees and similar costs during the initial phase of a new Restaurant We cannot guarantee that you will not have additional expenses starting your business Your costs will depend on factors such as how much you follow our System and procedures, the local market for purchasing food products, the prevailing wage rate, competition, and the sales level reached during the initial period

12 *Total* We relied upon our and our ~~Predecessor's~~affiliate, D's, Inc., experience and our principals' experience to compile these estimates You should review these figures carefully with a business advisor before making any decision to purchase the Boardwalk Fresh Burgers and Fries franchise

We cannot guarantee that this amount will be sufficient or that you will not have additional expenses starting the business Your costs will depend on factors such as how much you follow our methods and procedures, your management skill, experience and business acumen, local economic conditions, the local market for our product, the prevailing wage rate, competition, and the sales level reached during the initial period These are only estimates and your costs may vary based on actual rental prices in your area, and other site-specific requirements or regulations The costs outlined in this Item 7 are not intended to be a forecast of the actual cost to you or to any particular franchisee

Multi-Unit Operator Agreement

We have not included a separate chart for a Multi-Unit Operator We anticipate that a Multi-Unit Operator will incur the estimates described above for each Restaurant developed under the Multi-Unit Operator Agreement, subject to inflation and other increases over time If you sign a Multi-Unit Operator Agreement, your professional fees, such as legal and financial fees, may be higher

ITEM 8
RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

You must purchase or lease and install all fixtures, furnishings, equipment, decor items, signs and related items we require, all of which must conform to the standards and specifications in our Manual (as defined in Item 11) or otherwise in writing You may not install or permit to be installed on the Restaurant premises any fixtures, furnishings, equipment, decor items, signs, games, vending machines or other items without our written consent or that do not comply with our specifications

To make sure that the highest degree of quality and service is maintained, you must operate the Restaurant in strict conformity with the methods, standards and specifications that we designate in the Manual or otherwise in writing You must maintain in sufficient supply and use and sell at all times only those food and beverage items, ingredients, products, materials, supplies and paper goods that meet our standards and specifications All menu items must be prepared in accordance with the recipes and procedures specified in the Manual or other written materials You must not deviate from these standards and specifications by the use or offer of non-conforming items, or differing amounts of any items, without obtaining our written consent first You must offer for sale all products and services required by us in the manner and style we require, including dine-in and carry-out services You must discontinue offering for sale any items, products and services we may disapprove in writing at any time We can, and expect to, modify our standards and specifications as we deem necessary We will provide you notice in the Manual or other methods (such as by e-mail) of any changes in the standards and specifications

You must permit us or our agents, at any reasonable time, to remove a reasonable number of samples of food or non-food items from your inventory or from the Restaurant free of charge for testing by us or by an independent laboratory to determine whether the samples meet our then-current standards and specifications In addition to any other remedies we may have, we may require you to pay for the testing if we have not previously approved the supplier of the item or if the sample fails to conform to our specifications ~~(see Item 6)~~.

You must obtain all food and beverage items, ingredients, supplies, materials, fixtures, furnishings, equipment (including point of sale, computer hardware and software), and other products used or offered for sale at the Restaurant solely from suppliers who demonstrate, to our continuing reasonable satisfaction, the ability to meet our then-current standards or in accordance with our standards and specifications We do not make our supplier evaluation criteria available to you or any supplier

The following officers listed in Item 2 have an ownership interest in D's, Inc and Branded Concepts, Inc David DiFerdinando and Francis DiFerdinando There are no other approved suppliers in which any of our officers owns an interest Neither we nor our affiliates are currently an approved supplier for any item except the prepackaged frozen version of the fresh cut fries

If you wish to purchase, lease or use any products or other items from an unapproved supplier, you must submit a written request for approval, or must request the supplier to do so We must approve any product or supplier in writing before you make any purchases of that product or from that supplier We can require that our representatives be permitted to inspect the supplier's facilities and that samples from the supplier be delivered, either to us or to an independent laboratory, for testing There is no stated fee for processing a request, but you may be asked to pay the cost of reviewing any proposed changes in, or deviations from, approved products or suppliers We reserve the right to re-inspect the facilities and products of any approved supplier and to revoke our approval if the supplier fails to continue to meet any of our then-current standards Our supplier approval procedure does not obligate us to approve any particular supplier However, we will notify you within 45 days after we complete the inspection and evaluation process of our approval or disapproval of any proposed supplier We are not required to make available to you or to any supplier our criteria for product or supplier approval We grant and revoke approval of suppliers through notice to our suppliers and franchisees.

We have and may continue to develop for use in the System certain products which are prepared from confidential proprietary recipes and other proprietary products which bear the Marks Because of the importance of quality and uniformity of production and the significance of those products in the System, it is to your and our benefit that we closely control the production and distribution of those products Therefore, you will use only our proprietary recipes and other proprietary products and will purchase those items solely from us or from a source designated by us all of your requirements for those products

We may, when appropriate, negotiate purchase arrangements, including price terms, with designated and approved suppliers on behalf of the System We do not provide any material benefit to franchisees for use of approved suppliers. As of January 31, ~~2016~~2017, there are no purchasing or distribution cooperatives for any of the items described above in which you must participate

We may establish strategic alliances or preferred vendor programs with suppliers that are willing to supply some products, equipment, or services to some or all of the Restaurants in our System If we do establish those types of alliances or programs, we may limit the number of approved suppliers with whom you may deal, we may designate sources that you must use for some or all products, equipment and services, and we may refuse to approve proposals from franchisees to add new suppliers if we believe that approval would not be in the best interests of the System or the franchised network of Restaurants

The current and future interior design of Boardwalk Fries Burgers Shakes Restaurant is specified by us We have contracted with our designated graphics design company who will provide the specifications of all interior design, decor and graphics for your store Unless we agree to an alternative approved supplier for interior design, decor and graphics, you must use our designated graphics design company You must provide the necessary information to our designated graphics design company so that they can prepare presentation files depicting the paint colors, graphics and menu board layout for your Restaurant You shall also have your architect provide to our designated graphics design company architectural drawings showing the required dimensions and layout needed to prepare this presentation All Restaurant graphics and menu boards must be purchased by you from our designated graphics design company on the payment terms specified by them Our designated graphics design company will produce, ship and coordinate installation of the graphics and menu board We may choose at any time to enter into a contract with any other graphic design company and the above requirements shall apply regardless of the approved supplier we designate We receive no funds from our designated design company

We and/or our affiliates may receive payments or other compensation from approved suppliers on account of the suppliers' dealings with us, you, or other Restaurants in the System We and our affiliates may use all amounts received from suppliers, whether or not based on your and other franchisees' prospective or actual dealings with them, without restriction for any purposes that we and our affiliates deem appropriate

In the fiscal year ended January 31, ~~2016~~2017, our affiliates received rebates from approved suppliers which totaled ~~$486,530 31~~348,583.24 or ~~18 4~~21.7% of total revenues of ~~$2,643,684 29~~1,604,437.12 The revenues of our affiliates are not included in our financial statements ~~$4,226 23~~3,135.93 of these rebates or 0.6% of our total revenues of $531,825 were received by us Specific rebates were remitted to us and our affiliates as follows

Supplier	Rebate Amount (See Note 1)	Basis for Calculation of Rebate
Coca Cola	$0	100% of gallons sold
Lamb Weston (potatoes) (Paid to Branded Concepts, Inc)	~~$479,640 85~~343,458.90	~~18~~21% of overall sales to D's, Inc , franchisees & licensees
Dade Paper	~~$6,238 11~~5,025.19	3% of qualifying purchases
~~Tyson~~	~~$494 00~~	~~2% of overall sales to franchisees~~
Nestle	~~$41 10~~39.15	0 5% of overall sales to franchisees
Kens	~~$116 25~~60.00	1% of overall sales to franchisees
Total	**~~$486,530 31~~348,583.24**	

Note 1 These amounts are predominantly rebates to Branded Concepts, Inc from Lamb Weston for sales of potato products to accounts of Branded Concepts, Inc and Licensees plus the few Branded Concepts, Inc franchises

Boardwalk Fries Burgers Shakes franchises may purchase and sell branded Boardwalk Fries frozen French fries, manufactured for Branded Concepts, Inc, and affiliate, and distributed by Lamb Weston, and if the franchisee selects and is approved to purchase Boardwalk Fries, they must purchase them from their approved distributor who can obtain the branded product from the manufacturer of Boardwalk Fries

You must sell only Coca-Cola beverages at your Franchised Restaurant and you will need to lease fountain equipment If you purchase your Coca-Cola products through our national account with Coca-Cola Fountain, they will assign marketing dollars based upon your gallons sold per quarter These credits will first be applied to the monthly lease due Coca-Cola Fountain for your use of its dispensing equipment After lease deductions, the additional marketing credits are to be spent for you by Coca-Cola Fountain for marketing items and programs that are jointly planned and administered by us and Coca-Cola Fountain All of these marketing funds are disbursed by Coca-Cola Fountain and allocated specifically to your franchise based upon your beverage sales We receive none of these monies but we devote significant efforts to administering these funds

You may elect to purchase your Coca-Cola products from your local bottler or distributor, but if you do this you will have to make monthly fountain equipment lease payments of approximately $60 to $80 to the bottler If you purchase directly from your local bottler or distributor, we will not receive marketing goods and programs that are paid for by the national Coca-Cola Fountain marketing program

We estimate that your purchases from us, our affiliates or approved suppliers, or that must conform to our specifications, will represent approximately 75% to 85% of your total purchases in establishing the Restaurant, and approximately 30% to 35% of your total purchases in the continuing operation of the Restaurant

When determining whether to grant new or additional franchises we consider many factors, including compliance with the requirements described above

All advertising and promotional materials, signs, decorations, paper goods (including menus and all forms and stationery used in the Restaurant) and other items we designate must bear the Marks ~~(see Item 13)~~ in the form, color, location and manner we designate In addition, all your advertising and promotion in any medium must be conducted in a dignified manner and must conform to the standards and requirements in the Manual or otherwise You must obtain our approval before you use any advertising and promotional materials and plans if we have not prepared or approved them during the 12 months before their proposed use Any advertising and promotional materials you submit to us for our review will become our property Currently, we do not have a designated supplier for advertising and promotional materials.

Before you open your Restaurant, you must obtain the insurance coverages we require Our current insurance requirements are described below We may modify our insurance requirements during the term of your Franchise Agreement, and any modifications will be communicated to you in our Manual or otherwise in writing This insurance coverage must be maintained during the term of the Franchise Agreement and must be obtained from a responsible, duly licensed carrier or carriers acceptable to us All insurance must be on an "occurrence" basis

~~We currently require our franchisees to have the following insurance coverages (1) comprehensive general liability, including broad form contractual liability, employment practices coverage, broad form property damage, personal injury, facilities, completed operations, products liability, and fire legal liability in the amount of $2,000,000, (2) all risks coverage for full repair and replacement value of all of the equipment, fixtures and supplies used in your Restaurant with an agreed amount endorsement equal to 100% of the property's value, (3) employer's liability, workers' compensation, and any other insurance that may be required by statute or rule of the state or locality in which the Restaurant is located and operated, and (4) any other insurance required by law, by your lease or sublease for the premises of your Restaurant or as we may require in the future~~

In addition, related to any construction, renovation or remodeling of the Restaurant, you must maintain builders risks insurance and performance and completion bonds in forms and amounts, and written by a carrier or carriers, satisfactory to us All of the policies must name us, those of our affiliates that we specify, and the respective officers, directors, shareholders, partners, agents, representatives, independent contractors, servants and employees of each of them, as additional named insureds and must include a waiver of subrogation in favor of all those parties

ITEM 9
FRANCHISEE'S OBLIGATIONS

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

In the table below, the following abbreviations have these meanings FA means the Franchise Agreement, MUOA means the Multi-Unit Operator Agreement

Obligation	Section in Agreement	Item in Disclosure Document
a Site selection and acquisition/ lease	FA – Section 2 MUOA – Section 3	Items 8 and 11
b Pre-opening purchases/leases	FA – Sections 6, 7 and 8	Items 5, 6, 7, 8 and 11
c Site development and other pre-opening requirements	FA – Section 2	Items 1, 8 and 11
d Initial and ongoing training	FA – Section 6	Items 5, 6 and 11
e Opening	FA – Section 6	Items 5, 6 and 11
f Fees	FA – Sections 3, 4, 5, 7, 8, 11, 14 and 18 MUOA – Sections 2 and 3	Items 5 and 6
g Compliance with standards and policies/Manuals	FA – Sections 2, 3, 6, 8, 9, 10, 11 and 12	Items 11 and 14
h Trademarks and proprietary information	FA – Sections 9 and 10 and Attachment D MUOA – Section 7	Items 11, 13 and 14
i Restrictions on products/services offered	FA – Section 7 MUOA – Section 7	Items 8 and 16
j Warranty and customer service requirements	FA – Section 7	Item 8
k Territorial development and sales quotas	MUOA – Section 3	Item 12
l Ongoing product/service purchases	FA – Section 7	Items 6 and 8
m Maintenance, appearance and remodeling requirements	FA – Sections 2, 7 and 14	Items 8 and 11
n Insurance	FA – Section 12	Items 7 and 8
o Advertising	FA – Section 8	Items 6, 8 and 11
p Indemnification	FA – Section 15 MUOA – Section 14	Item 6

Obligation	Section in Agreement	Item in Disclosure Document
q Owner's participation/ management/staffing	FA – Sections 6, 14, 15 and 19 MUOA – Section 7	Items 1, 11 and 15
r Records and Reports	FA – Sections 4, 7 and 11	Item 6
s Inspections and audits	FA – Sections 2, 7 and 11 MUOA – Section 12	Items 6, 8 and 11
t Transfer	FA – Section 14 MUOA – Section 11	Items 6 and 17
u Renewal	FA – Section 3 MUOA – Section 5	Items 6 and 17
v Post-termination obligations	FA – Section 18 MUOA – Section 10	Items 6 and 17
w Non-competition covenants	FA – Section 10 and Attachment D MUOA – Section 12	Item 17
x Dispute Resolution	FA – Section 19 MUOA – Section 19	Items 6 and 17
y Liquidated Damages	FA –Section 18	Item 6

ITEM 10
FINANCING

We do not offer, either directly or indirectly, any financing arrangements to you We do not guarantee your notes, leases or other obligations

~~Franchisees of the Boardwalk Fries Burgers Shakes system are eligible for expedited and streamlined SBA loan processing through the SBA's Franchise Registry Program, www franchiseregistry com~~

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

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

Pre-Opening Obligations

Multi-Unit Operator Agreement Under the Multi-Unit Operator Agreement we or our development agent, if there is one for your Exclusive Area, will provide you with the following assistance

1 We will grant to you exclusive rights to an Exclusive Area within which you will assume the responsibility to establish and operate an agreed-upon number of Boardwalk Fries Burgers Shakes Restaurants under separate Franchise Agreements (Multi-Unit Operator Agreement – Section 1 1)

2 We will review site survey information on sites you select for conformity to our standards and criteria for potential sites and, if the site meets our criteria, approve the site for a Restaurant (Multi-Unit Operator Agreement – Section 8 1)

3 We will provide you with standard specifications and layouts for building and furnishing the Restaurant (Multi-Unit Operator Agreement – Section 8 2)

4 We will review your site plan and final build-out plans and specifications for conformity to our standards and specifications (Multi-Unit Operator Agreement – Section 8 3)

5 We may conduct on-site evaluations, as we deem advisable, as part of our evaluation of the site for a Restaurant (Multi-Unit Operator Agreement – Section 8 4)

6 We will provide other resources and assistance as may be developed and offered to our Multi-Unit Operators (Multi-Unit Operator Agreement – Section 8 5)

7 We are not required to provide training or assistance for the opening of your second and subsequent locations, but may do so at our option for an amount of time we shall solely determine

Franchise Agreement Before the opening of a Restaurant we or our development agent, if there is one for your Territory, will provide the following assistance and services

1 Our written site selection guidelines and the site selection assistance we deem advisable (Franchise Agreement, Section 5 1) ~~You~~If you choose to use our approved supplier to assist you in selecting a site for your Restaurant, you must pay our then-current site review costs and reimburse our expenses related to the site selection assistance we provide We will also designate your Territory ~~(see Item 12)~~.

2 On loan, one set of prototypical architectural and design plans and specifications for a Restaurant for adaptation by you, at your expense (Franchise Agreement, Section 5 2)

3 On loan, our Confidential Operations Manual, which we may revise during the term of your Franchise Agreement (Franchise Agreement, Sections 5 3 and 10 1)

4 A list of our approved suppliers, which is subject to change during the term of your Franchise Agreement (Franchise Agreement, Sections 5 8 and 7 4)

5 An initial training program, as described below, including Bookkeeping, Inventory and administrative procedures (Franchise Agreement, Sections 5 9 and 6 4)

6 Review of and assistance with your grand opening advertising campaign to promote the opening of your Restaurant (Franchise Agreement, Section 8 8)

7 One of our representatives to provide pre-opening and opening assistance for up to 10 days around the opening of your Restaurant We provide this assistance at no additional expense, but if you request that our representative provide additional days of assistance, you must pay our then-current per diem fee plus expenses If you are opening your second or later Restaurant, we reserve the right to not provide you with opening assistance

~~8 We are not required to provide training or assistance for the opening of your second and subsequent locations, but may do so at our option for an amount of time we shall determine in our sole discretion~~

Post-Opening Obligations

Franchise Agreement During the operation of a Restaurant we or our development agent, if there is one for your Territory, will provide the following assistance and services

1 As we reasonably determine necessary, visits to and evaluations of the Restaurant and the products and services provided to make sure that our high standards of quality, appearance and service of the System are maintained (Franchise Agreement, Sections 5 4 and 7 5 6)

2 Advertising and promotional materials for in-store marketing and Local Advertising for the Restaurant at a reasonable cost to you (Franchise Agreement, Section 5 5)

3 Advice and written materials (including updates to the Manual) concerning techniques of managing and operating ~~the~~your Restaurant, including operational problem solving, new developments and improvements in equipment, food products, recipes, packaging and preparation (Franchise Agreement, Section 5 6)

4 Training programs and seminars and other related activities regarding the operation of the Restaurant as we may conduct for you or Restaurant personnel generally, which may be mandatory for you, your General Manager and other Restaurant personnel (Franchise Agreement, Section 6 4 2)

5 At your request, additional on-site training at your Restaurant You must pay our per diem fee for each trainer providing the training as well as reimburse our expenses ~~(see Item 6)~~. (Franchise Agreement, Section 6 4 4)

6 Administration of the marketing fund (Franchise Agreement, Section 8 3)

7 Indemnification against and reimbursement for all damages for which you are held liable in any proceeding arising out of your use of any of the Marks (including settlement amounts), if you and your Principals have fully complied with the terms of the Franchise Agreement (Franchise Agreement, Section 9 4)

8 Provide guidelines regarding the minimum and/or maximum prices you may charge (Franchise Agreement – Section 7 15) You may set your own prices, and we do not guaranty that if you follow our pricing guidelines you will achieve any level of sales or profit

Grand Opening Advertising You must spend between $7,500 and $15,000 on a grand opening advertising campaign to promote the opening of your Restaurant This amount must be spent in the 30 days before and is payable to us after we prepare your marketing plan and budget based on your store location Your grand opening advertising campaign will be supervised by us with your input and we may require that your campaign include promotional give-aways

Marketing Fund Recognizing the value of advertising and marketing to the goodwill and public image of Boardwalk Fries Burgers Shakes Restaurants, we have established and currently administer and control a Marketing Fund You must contribute 2% of your Restaurant's Gross Sales to the Marketing Fund We reserve the right to increase the required contribution to 3% of Gross Sales on

30 days notice to you Restaurants that we and our affiliates own will contribute to the Marketing Fund on the same basis as franchisees

The Marketing Fund is maintained and administered by us or our designee as follows

1 We direct all advertising programs and have sole discretion to approve the creative concepts, materials and media used in the programs and their placement and allocation The Marketing Fund is intended to maximize general public recognition and acceptance of the Marks and improve the collective success of all Restaurants operating under the System We may use monies from the Marketing Fund to present refresher training programs or to present an annual meeting of our franchisees Any Restaurants operated by us or our affiliates will contribute to the Marketing Fund generally on the same basis as you In administering the Marketing Fund, we and our designees are not required to make expenditures for you that are equivalent or proportionate to your contribution or to make sure that any particular franchisee benefits directly or *pro rata* from the placement of advertising

2 The Marketing Fund may be used to satisfy the costs of maintaining, administering, directing and preparing advertising, including the cost of preparing and conducting television, radio, magazine and newspaper advertising campaigns, direct mail and outdoor billboard advertising, public relations activities, employing advertising agencies, development and maintenance of our Website, and costs of our personnel and other departmental costs for advertising that we administer or prepare internally All sums you pay to the Marketing Fund will be maintained in a separate account We may reimburse ourselves out of the Marketing Fund for our reasonable administrative costs and expenses that we may incur in the administration or direction of the Marketing Fund and advertising programs for you and the System The Marketing Fund and its earnings will not otherwise benefit us The Marketing Fund is operated solely as a conduit for collecting and expending the Marketing Fund Contributions as outlined above Any sums paid to the Marketing Fund that are not spent in the year they are collected will be carried over to the following year

3 We will prepare an annual statement of the operations of the Marketing Fund that will be made available to you if you request it We will have the Marketing Fund statements audited yearly

4 Although the Marketing Fund is intended to be perpetual, we may terminate the Marketing Fund at any time The Marketing Fund will not be terminated until all monies in the Marketing Fund have been spent for advertising or promotional purposes or returned to contributors on a pro rata basis If we terminate the Marketing Fund, we have the right to reinstate it at any time and you must again contribute to the Marketing Fund

We currently advertise the Restaurants and the products offered by the Restaurants primarily using point of purchase advertising materials, direct mail, electronic and internet marketing, public relations and promotions, and print media The coverage is typically regional and national in nature. As the number of Restaurants in the System expands, we envision using other forms of media, including television, radio, internet, magazine and newspaper advertising campaigns, and direct mail and outdoor billboard advertising The majority of our advertising is developed in-house by members of our staff or third-party consultants No money will be spent from the Marketing Fund for advertising that is primarily a solicitation of franchise sales For our fiscal year ended January 31, ~~2016~~2017, 100% of expenditures from the Marketing Fund were for advertising and sales support

Local Advertising You must conduct Local Advertising in your Territory and you must spend at least 1% of your Restaurant's Gross Sales each month for local advertising If your landlord requires you to participate in any marketing or promotion fund, the amounts you pay may be applied towards satisfying your Local Advertising obligations, if first approved in writing by us We must approve all advertising before you use it You must provide us with a marketing expenditure report within 30 days of our request to show that you have complied with the Local Advertising requirements

Any advertising that you propose to use that has either not been prepared by us or has not been approved by us in the immediately preceding 12 month period must be submitted to us for our approval before you may use it We will have 15 days after receipt of all materials to approve or disapprove of the proposed advertising materials Unless we provide our specific approval of the proposed advertising materials, the materials are deemed not approved Any materials you submit to us for our review will become our property, and there will be no restriction on our use or distribution of these materials

We reserve the right to require you to include certain language in your local advertising, such as "Franchises Available" and our website address and telephone number

Cooperative Advertising We may designate any geographic area in which two or more Restaurants are located as a region for purposes of establishing a marketing Cooperative, or we may approve of the formation of a marketing Cooperative by our franchisees The members of the Cooperative for any area will consist of all Restaurants, whether operated by us, our affiliates or our franchisees We have the right to administer, dissolve, merge or change the structure of the Cooperatives Each Cooperative will be organized for the exclusive purposes of administering advertising programs and developing, subject to our approval as described above, promotional materials for use by the members in Local Advertising If a Cooperative has been established for a geographic area where your Restaurant is located when the Franchise Agreement is signed, or if any Cooperative is established during the term of the Franchise Agreement, you must become a member of the Cooperative If the Cooperative will operate according to written documents, we must approve of these documents, and a copy of the Cooperative documents applicable to the geographic area in which your Restaurant will be located will be provided to you if you request it

The payments you make to a Cooperative may be applied by you toward satisfaction of your Local Advertising requirement of 1% of your Restaurant's Gross Sales each month, but if the amount you contribute to a Cooperative is less than the amount you must spend on Local Advertising, you must still spend the difference locally Restaurants that we and our affiliates own will contribute to the Cooperative on the same basis as franchisees. All contributions to the Cooperative will be maintained and administered in accordance with the documents governing the Cooperative, if any The Cooperative will be operated solely as a conduit for the collection and expenditure of the Cooperative fees for the purposes outlined above No advertising or promotional plans or materials may be used by the Cooperative or furnished to its members without first obtaining our approval Currently there are no Cooperatives in the System The Cooperative is not required prepare an annual financial statement

Neither the Marketing Fund nor any Cooperative will use any funds for advertising that is principally a solicitation for the sale of franchises for Restaurants We are not obligated to spend any amount on advertising in your Territory

Website / Extranet Websites (as defined below) are considered as "advertising" under the Franchise Agreement and are subject (among other things) to our review and prior written approval before they may be used (as described above) As used in the Franchise Agreement, the term "Website" means an interactive electronic document contained in a network of computers linked by communications software, that you operate or authorize others to operate and that refers to the Boardwalk Fries Burgers Shakes Restaurant, Proprietary Marks, us, or the System The term Website includes Internet and World Wide Web home pages

In connection with any Website, the Franchise Agreement provides that you may not establish a Website related to the Proprietary Marks or the System, nor may you offer, promote, or sell any products or services, or make any use of the Marks, through the Internet without our prior written approval As a condition to granting any consent, we will have the right to establish any requirement that we deem appropriate, including a requirement that your only presence on the Internet will be through one or more web pages that we establish on our Website

We will have the right to establish a website or other electronic system providing private and secure communications (*e g*, an extranet) between us, our franchisees, and other persons and entities that we decide are appropriate If we require, you must establish and maintain access to the extranet in the manner we designate Additionally, we may periodically prepare agreements and policies concerning the use of the extranet that you must acknowledge and/or sign

You are strictly prohibited from promoting your Restaurant or using the Proprietary Marks in any manner on any social and/or networking Websites, such as Facebook, LinkedIn, MySpace and Twitter, without our prior written consent If you wish to use social and/or networking Websites, you must first submit to us information concerning the Website to be used and the material to be posted on the Website We must approve any postings, and any changes to postings, in advance

Advisory Council We reserve the right to establish an advisory council to work with us to improve various aspects of our System, including advertising, merchandising, food products, and other items If we choose to establish an advisory council, its members will include franchisee representatives and our representatives The franchisee representatives may be chosen by us or elected by other franchisees in the System If established, the advisory council will act in an advisory capacity only and will not have decision making authority We have the right to form, change, merge or dissolve any advisory council at any time

Training No later than 30 days before the date the Restaurant begins operation, you and your General Manager (for a maximum of two people) must attend and complete, to our satisfaction, our initial training program We will conduct this training at our ~~corporate headquarters in Columbia, Maryland~~training location, at one of our Boardwalk Fries Burgers Shakes Restaurants, or at another location we designate Initial training programs will be offered at various times during the year depending on the number of new franchisees entering the System, replacement general managers and other personnel needing training, the number of new Restaurants being opened and the timing of the scheduled openings of Restaurants

We will provide instructors and training materials for the initial training of you and your General Manager for no additional fee, but you must pay the expenses incurred by you and your trainees while attending training You may also have additional personnel trained by us for the Restaurant, at your expense~~ (see Item 6)~~. We will determine whether the General Manager has satisfactorily completed initial training If the General Manager does not satisfactorily complete the initial training program or if we determine that this person cannot satisfactorily complete the training program, you must designate a replacement to satisfactorily complete the training before you will be permitted to open your Restaurant Any General Manager subsequently designated by you must also receive and complete the initial training to our satisfaction, even if this requires sending that manager to the headquarters training program, at your expense We reserve the right to charge a reasonable fee for the initial training we provide to a replacement or successor employee if we have not approved you to provide the training~~ (see Item 6)~~.
You must also pay for all expenses you and your General Manager and other personnel incur for any training program, including costs of travel, lodging, meals and wages

Our initial training program is generally 17 days long consisting of 14 days at our training location and 3 days at your store Our training program is overseen by Joseph Beckhardt, who has 10 years experience with us and our affiliates and has extensive experience in operations James Stump, who has owned and operated our Alexandria, VA location since 2010, is one of our trainers We reserve the right to draw upon the substantial experience of our and our affiliates' employees to assist in providing training on Restaurant operations Each trainer will have not less than three years of experience in operating a Boardwalk Fries Burgers Shakes Restaurant The minimum experience of the instructors in the field that is relevant to the subject taught and our operations is from 3 to 10 years Our development agents do not provide training to unit franchisees

If, during the term of your Franchise Agreement, you request that we provide additional training on-site at your Restaurant, you must pay our then-current per diem fee for each trainer we provide, and you must reimburse us for any expenses our trainers incur, such as costs of travel, lodging, and meals~~(see Item 6)~~.

The instructional materials used in the initial training consist of our Operations Manual, marketing and promotion materials, and any other materials that we believe will be beneficial to our franchisees in the training process

The training schedule and activities of the initial training program are described below

TRAINING PROGRAM

Column 1 Subject	Column 2 Hours of Classroom Training	Column 3 Hours of On-The-Job Training	Column 4 Location
Introduction, Store Tour, Opening Procedures, Bookkeeping, Micros Training, POS, Cashier Responsibilities	0	8 5	~~Springfield~~Franconia, VA
Register, Food Ordering, Inventory, Storage, Milkshake, Manager and Closing Procedures	0	11	~~Hunt Valley, MD~~Franconia, VA
Fry Procedures, Fry Station	0	8 5	~~Hunt Valley, MD~~Franconia, VA
Special Projects, Hood Cleaning, Cut and Blanch Fries	0	8 5	~~Hunt Valley, MD~~Franconia, VA
Sandwich Station, Opening Procedure, Morning Responsibilities	0	10 5	~~Hunt Valley, MD~~Franconia, VA
Special Projects, Fryer Filtration	0	12	~~Springfield~~Franconia, VA
Review and Practice Opening Procedures, Free Rest of Day	0	2	~~Hunt Valley, MD~~Franconia, VA

Column 1 Subject	Column 2 Hours of Classroom Training	Column 3 Hours of On-The-Job Training	Column 4 Location
Food Preparation and Grill	0	8 5	~~Hunt Valley, MD~~Franconia, VA
Paper Ordering and Grill Station	0	11 5	~~Hunt Valley, MD~~Franconia, VA
Receiving and Storage, Opening and Morning Procedures	0	9	~~Hunt Valley, MD~~Franconia, VA
Review Day, Station Readiness	0	8 5	~~Hunt Valley, MD~~Franconia, VA
Expediting and Review	0	10	~~Hunt Valley, MD~~Franconia, VA
Final Exam/Station Reviews	1	9	~~Hunt Valley, MD~~Franconia, VA
Review, Evaluation, Certification, Q&A	3	0	~~Hunt Valley, MD~~Franconia, VA
Sub-Total for ~~Springfield~~Franconia, VA ~~and Hunt Valley, MD~~		121 5 hours 8 68 daily average	
Cook Training, Counter Training, Opening Night – Family & Friends	0	8	Your Restaurant
Soft Opening	0	8	Your Restaurant
Opening	0	56	Your Restaurant

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

In addition to the initial training program and any additional on-site assistance or training you request, as described above, we may offer refresher training programs or an annual meeting of our franchisees We may designate that attendance at any refresher training program or annual meeting is mandatory for you and/or your General Manager We will bear the costs of presenting any refresher training program or annual meeting, or we may use money from the Marketing fund to pay these costs You must pay for the expenses of your trainees/attendees, including travel, lodging, meals and wages

Operations Manual The Table of Contents for our Operations Manual is attached to this Disclosure Document as Exhibit F Our Operations Manual contains approximately ~~109~~97 pages

Site Selection and Opening You must assume all costs, liabilities, expenses and responsibility for locating, obtaining and developing a site for the Restaurant and for constructing and equipping the Restaurant at the accepted site You will select the site for the Restaurant subject to our approval and using our site submittal forms and/or criteria We generally do not own the premises and lease it to you We recommend, but do not require, that you use our approved supplier to assist you with site selection The Restaurant may not be relocated without first obtaining our written consent Before you lease or purchase the site for the Restaurant, you must locate a site that satisfies our site selection guidelines If you request that we conduct an on-site evaluation, then before we conduct the on-site evaluation, you must submit to us in the form we specify a description of the site, including evidence that the site satisfies our site selection guidelines, together with other information and materials that we may reasonably require, including a letter of intent or other evidence that confirms your favorable prospects for obtaining the site For any on-site evaluation or other location assistance, you must pay our then-current per diem fee and reimburse our costs related to the evaluation

You must submit information and materials for the proposed site to us for approval no later than 120 days after you have signed the Franchise Agreement We will have 30 days after we receive this information and materials from you to approve or disapprove the proposed site as the location for the Restaurant If we do not provide our specific approval of a proposed site, the site is deemed not approved Our approval only means that the site meets our minimum requirements for a Restaurant If after you have signed a Franchise Agreement, you are unable to locate a site for your Restaurant within 120 days, allowing for reasonable extensions as needed for final lease negotiations, we have the right to terminate your Franchise Agreement without providing you with a refund of any portion of the Initial Franchise Fee

We will provide you with our current written site selection guidelines and any other site selection counseling and assistance we think is advisable Our guidelines for site selection may require that you conduct, at your expense, an evaluation of the demographics of the market area for the location (including the population and income level of residents in the market area), aerial photography, size and other physical attributes of the location, proximity to residential neighborhoods and proximity to schools, shopping centers, entertainment facilities and other businesses that attract consumers and generate traffic We may use these and other factors, including general location and neighborhood, traffic patterns, availability of parking, and ease of access to the location, in our review of your proposed site

We estimate that the time from when the Franchise Agreement is signed to the opening of the Restaurant will be approximately nine to 12 months This time may be shorter or longer depending on the time necessary to obtain an accepted site, to obtain financing, to obtain the permits and licenses for the construction and operation of the Restaurant, to complete construction or remodeling as it may be affected by weather conditions, shortages, delivery schedules and other similar factors, to complete the interior and exterior of the Restaurant, including decorating, purchasing and installing fixtures, equipment and signs, and to complete preparation for operating the Restaurant, including purchasing inventory and supplies We do not assist you with conforming the premises to local ordinances and building codes and obtaining required permits. We do not deliver or install equipment. While we do not have a specific deadline for your opening of the Restaurant, you may be penalized by your landlord if you do not open your location according to the terms of your lease, such as within a certain number of days after you have access to the leased site

If you are a Multi-Unit Operator, you must sign your first Franchise Agreement at the same time you sign the Multi-Unit Operator Agreement The typical length of time between the signing of the Franchise Agreement and the opening of your Restaurant is the same as for an individual franchisee

Computer and Point of Sale Systems You must purchase and use certain point of sale systems, computer hardware and software that meet our specifications and that are capable of electronically interfacing with our computer system The computer system is used to collect and monitor point of sale information and to create business reports, and may be used to collect and monitor inventory control and shrinkage, payroll and accounting information, gift card program, and credit card processing

The computer system is designed to enable us to have immediate access to the information monitored by the system, and there is no contractual limitation on our access or use of the information we obtain You must install and maintain equipment and a high-speed telecommunication line (such as T-1, DSL or cable modem) in accordance with our specifications to permit us to access the point of sale (or other computer hardware and software) at the Restaurant premises as described above This will permit us to electronically inspect and monitor information concerning your Restaurant's Gross Sales and any other information that may be contained or stored in the equipment and software You must make sure that we have access at the times and in the manner we specify, at your cost

You must purchase one of the ~~two~~ Micros point of sale systems that we specify, and our specific requirements will be included in our Manual You must purchase the point of sale system from our approved supplier We expect that the point of sale system will cost between $13,407 87 and $14,357 87 You must also purchase a maintenance contract for your point of sale system, which we anticipate will cost approximately $1,600 to $2,665 per year, depending on which point of sale system you purchase, the number of terminals at your Restaurant, and other maintenance options you may choose We reserve the right to change the designated point of sale system in the future

You must obtain any upgrades and/or updates to the software used with the point of sale system, at your expense In addition, we may require you to update and/or upgrade all or a portion of your point of sale system during the term of your Franchise Agreement, at your expense The Franchise Agreement does not limit our ability to require you to update and/or upgrade your point of sale system or the cost of any update and/or upgrade Neither we nor any of our affiliates has any responsibility to provide you with any maintenance, updates and/or upgrades for your point of sale system

You must obtain and maintain Internet access or other means of electronic communication, as specified by us It will be a material default under the Franchise Agreement if you do not maintain the equipment, lines and communication methods in operation and accessible to us at all times throughout the term of the Franchise Agreement We must have access at all times and in the manner that we specify

ITEM 12
TERRITORY

Franchise Agreement Your Franchise Agreement will specify the site that will be the Approved Location for your Restaurant Your Franchise Agreement may also specify a Territory The Territory is not the same area as, and will be smaller than, the trade area in which you will be looking for a site If your Restaurant is located in a free-standing building or strip center, the Territory will be a one-mile radius from the location If your Restaurant is located within a food court, mall, or other similar non-traditional setting (such as an office building, airport terminal or college campus), the Territory will be limited to the building, terminal or campus, as applicable

During the term of the Franchise Agreement, we will not establish or operate, nor license any other person to establish or operate, a Restaurant in the Territory, except as may be permitted under the Franchise Agreement and those exceptions are described below There are no circumstances under which the Territory may be altered before your Franchise Agreement expires or is terminated Your territorial protection does not depend on your achieving a certain sales volume, market penetration, or other factor, other than compliance with the Franchise Agreement

If, during the term of the Franchise Agreement, you wish to relocate your Restaurant, or if the Restaurant is damaged or destroyed and cannot be repaired within 60 days, you must submit to us in writing the materials we require to consider your request, including information concerning the proposed new location for the Restaurant You must also meet certain other requirements, such as being in compliance with the Franchise Agreement, the location meets our then-current requirements for a Boardwalk Fries Burgers Shakes Restaurant and is located within your Territory, and you must sign our then-current form of Franchise Agreement If we permit you to relocate, you will not pay a new initial franchise fee when you sign the new Franchise Agreement

Except as expressly limited by the Franchise Agreement, we and our affiliates retain all rights with respect to Restaurants, the Marks, and any products and services anywhere in the world including the right (a) to produce, offer and sell and to grant other the right to produce, offer and sell the products offered at Restaurants and any other goods through similar or dissimilar channels of distribution, both within and outside the Territory, under the Marks or other trade and service marks and under any terms and conditions we deem appropriate, (b) to operate and to grant others the right to operate Restaurants located outside the Territory under any terms and conditions we deem appropriate and regardless of proximity to your Restaurants, and (c) the right to acquire and operate a business operating one or more restaurants or food service businesses located or operating in your Territory

You may sell our products to retail customers and prospective retail customers who live anywhere but who choose to dine at or from your Restaurant While you may place advertisements in printed media and on television and radio that are targeted to customers and prospective customers located within your Territory, and you will not be deemed to be in violation of the Franchise Agreement if those advertisements, because of the natural circulation of the printed media or reach of television and radio, are viewed by prospective customers outside of your Territory, you may not make any sales or deliver any products to customers located outside of your Territory, unless the customer is located in an area where there is not another Boardwalk Fries Burgers Shakes Restaurant in operation You have no options, rights of first refusal, or similar rights to acquire additional franchises You may not sell any products to any business or other customer at wholesale

There is no restriction on us or our affiliates from soliciting or accepting orders from consumers inside the Territory without compensation to you We and our affiliates may use other channels of distribution, such as the Internet, catalog sales, telemarketing or other direct marketing, to make sales in your Territory under the Marks and other trademarks You are not restricted from soliciting or accepting orders from consumers outside of the Territory (if we approve the solicitation materials and programs) ~~(See Item 11)~~ You may not use other channels of distribution, such as the Internet, catalog sales, telemarketing, or other direct marketing, to make sales (as opposed to advertising and marketing) outside of the Territory, because you may only make sales at the Restaurant

We have not yet established other franchises or company-owned outlets or another distribution channel selling or leasing similar products or services under a different trademark We describe earlier in this Item 12 what we may do anywhere and at any time

Neither we nor any parent or affiliate has established, or presently intends to establish, other franchised or company-owned Restaurant which sell our products or services under a different trade name or trademark, but we reserve the right to do so in the future, without first obtaining your consent

Multi-Unit Operator Agreement Under the Multi-Unit Operator Agreement we grant you the right to develop and operate the number of Boardwalk Fries Burgers Shakes Restaurants in the Exclusive Area that is specified in the Development Schedule, which is an exhibit to the Multi-Unit Operator Agreement The Exclusive Area is typically described in terms of municipal or county boundaries but may be defined as a specified trade area in a municipality The actual size of the Exclusive Area will vary depending upon the availability of contiguous markets, our long range development plans, your financial and operational resources, population and market conditions Our designation of a particular Exclusive Area is not an assurance or warranty that there are a sufficient number of suitable sites for Restaurants in the Exclusive Area for you to meet your Development Schedule The responsibility to locate and prepare a sufficient number of suitable sites is solely yours and we have no obligation to approve sites which do not meet our criteria so you can meet the Development Schedule

Except as described below, during the term of the Multi-Unit Operator Agreement, we and our affiliates will not operate or grant a franchise for the operation of Restaurants to be located within the Exclusive Area However, we have the right to terminate this exclusivity if you are not in full compliance with all of the terms and conditions of the Multi-Unit Operator Agreement and all of the Franchise Agreements signed under it

Except as expressly limited by the Multi-Unit Operator Agreement, we and our affiliates retain all rights with respect to Boardwalk Fries Burgers Shakes Restaurants, the Marks, and any products and services anywhere in the world including the right (a) to produce, offer and sell and to grant other the right to produce, offer and sell the products offered at Restaurants and any other goods through similar or dissimilar channels of distribution, both within and outside the Exclusive Area, under the Marks and other trade and service marks and under any terms and conditions we deem appropriate, (b) to operate and to grant others the right to operate Restaurants located outside the Exclusive Area under any terms and conditions we deem appropriate and regardless of proximity to your Restaurants, and (c) the right to acquire and operate a business operating one or more Restaurants or food service businesses located or operating in your Exclusive Area

After you have completed the Development Schedule, if we believe that it is desirable to establish additional Restaurants within the Exclusive Area, and if you are in compliance with your Multi-Unit Operator Agreement, we will offer you the right to develop these additional Restaurants You must exercise this option, in full, within 60 days after our notice to you If you do not exercise or you decline this right of first refusal, we shall have the right to sell these development rights to another multi-unit operator or to develop the Restaurants ourselves

To maintain your rights under the Multi-Unit Operator Agreement you must have open and in operation the cumulative number of Boardwalk Fries Burgers Shakes Restaurants stated on the Development Schedule by the dates agreed upon in the Development Schedule Failure to do so will be grounds for either a loss of territorial exclusivity or a termination of the Multi-Unit Operator Agreement

In addition, upon the earlier of the expiration of the term of the Multi-Unit Operator Agreement or upon your execution of a Franchise Agreement for the last Boardwalk Fries Burgers Shakes Restaurant to be developed within the Exclusive Area, your exclusive rights under the Multi-Unit Operator Agreement with respect to the Exclusive Area will terminate and we and our affiliates will have the right to operate and to grant to others development rights and franchises to develop and operate Restaurants within the Exclusive Area This right will be subject only to the territorial rights under the franchise agreements signed by you for Restaurants in the Exclusive Area The Exclusive Area may not be altered unless we and you mutually agree to do so There are no minimum sales goals, market penetration or other contingency that you must meet to keep the exclusivity of your Exclusive Area, except that you must meet your Development Schedule

ITEM 13
TRADEMARKS

The Franchise Agreement grants you the right to use certain trademarks, trade names, service marks, symbols, emblems, logos and indicia of origin designated by us, including the Marks described in Item 1 and below These Marks may be used only in the manner we authorize and only for the operation of your Franchised Restaurant The Multi-Unit Operator Agreement does not give you the right to use the Marks or our System

You may not use the Marks as a part of your corporate or other legal name, and you must comply with our instructions in filing and maintaining trade name or fictitious name registrations You must sign any documents we require to protect the Marks or to maintain their continued validity and enforceability In addition, you may not directly or indirectly contest the validity of our ownership of or our rights in and to the Marks

Our affiliate, D's, Inc , owns following principal Marks with the U S Patent and Trademark Office ("USPTO~~")~~") on the Principal Register. D's, Inc has filed all required affidavits and intends to renew the registrations for the Marks when they become due

Mark	Application Date	Serial Number	Registration Date	Registration Number
~~Boardwalk Fries (logo)~~	~~12/3/1982~~	~~73/404,713~~	~~4/3/1984~~	~~1,273,128~~
Boardwalk Fries (logo)	11/21/1986	73/631,783	8/11/1987	1,452,638
~~Boardwalk Fries~~	~~7/25/2001~~	~~76/289,841~~	~~4/22/2003~~	~~2,708,594~~
Boardwalk Fresh Burgers & Fries	8/28/2009	77/815,001	4/6/2010	3,771,384
~~An Ocean of Taste~~	~~5/18/1993~~	~~74/391,816~~	~~9/6/1994~~	~~1,853,227~~
Boardwalk Fries Burgers Shakes	10/29/2013	86/104,282	1/6/2015	4,665,748

In addition, the following Mark was assigned by ~~D's, Inc to~~ our affiliate, Boardwalk Fries, Inc , to D's, Inc., in March 2009 When the final Boardwalk Fries unit is converted to a Boardwalk Fresh Burgers & Fries unit and all signage has been replaced, Boardwalk Fries, Inc intends for this Mark to go into disuse Until then, Boardwalk Fries, Inc intends to file all required affidavits and to renew the registration for this Mark when it becomes due

Mark	Application Date	Serial Number	Registration Date	Registration Number
Boardwalk Fries & Burgers	5/16/2008	77/477,141	6/23/2009	3,642,160

There are no currently effective determinations of the USPTO, the Trademark Trial and Appeal Board, the trademark administrator of any state or any court, no pending infringement, opposition or cancellation proceedings and no pending litigation involving any of the Marks that may significantly affect the ownership or use of any Mark listed above

There are no agreements currently in effect which significantly limit our rights to use or license the use of the Marks in any manner material to the franchise, except for the trademark license agreement between us and D's, Inc dated October 28, 2008 This trademark license agreement grants us a non-exclusive right to use and sub-license the use of the following Proprietary Marks "Boardwalk Fries" (Reg No 1,273,128), "Boardwalk Fries", including the distinctive wave design (Reg No 1,452,638) and "Boardwalk Fresh Burgers & Fries" (Reg No 3,771,384) The trademark license agreement has a term of 20 years and is scheduled to expire on October 28, 2028 We have the option to renew the trademark license agreement for additional 20 year terms The trademark license agreement gives D's, Inc the authority to inspect any Boardwalk Fresh Burgers & Fries Restaurant operated by us, our affiliates and our franchisees to make sure that the Proprietary Marks are being used properly and that all products being sold at the Restaurant meet the required specifications If D's, Inc determines there are deficiencies and standards are not being met, we have 30 days to cure these deficiencies or the trademark license agreement may be terminated Other than this license, we know of no superior prior rights or infringing use that could materially affect your use of the Mark. In addition, all marketing and other materials that use the Proprietary Marks must be approved by D's, Inc before they may be used

You must immediately notify us of any apparent infringement of the Marks or challenge to your use of any of the Marks or claim by any person of any rights in any of the Marks You and your Controlling Principals are not permitted to communicate with any person other than us, or any designated affiliate, our counsel and your counsel involving any infringement, challenge or claim We can take action and have the right to exclusively control any litigation or USPTO or other administrative or agency proceeding caused by any infringement, challenge or claim or otherwise relating to any of the Marks You must sign any and all documents, and do what may, in our counsel's opinion, be necessary or advisable to protect our interests in any litigation or USPTO or other administrative or agency proceeding or to otherwise protect and maintain our interests and the interests of any other person or entity (including any affiliate) having an interest in the Marks

We will indemnify you against and reimburse you for all damages for which you are held liable for your use of any of the Marks, provided that the conduct of you and your Controlling Principals in the proceeding and use of the Marks is in full compliance with the terms of the Franchise Agreement

Except as provided above, we are not obligated by the Franchise Agreement to protect any rights granted to you to use the Marks or to protect you against claims of infringement or unfair competition with respect to them Although we are not contractually obligated to protect the Marks or your right to use them, as a matter of corporate policy we intend to defend the Marks vigorously

We may require you to discontinue or modify your use of any of the Marks or to use one or more additional or substitute trade names, service marks, trademarks, symbols, logos, emblems and indicia of origin if we determine that an addition or substitution will benefit the System We will reimburse you for your reasonable direct expenses of changing the Restaurant's signage, but we will not be obligated to reimburse you for any loss of revenue attributable to any modified or discontinued Proprietary Marks or for any expenditures you make to promote a modified or substitute trademark or service mark

The license to use the Marks granted in the Franchise Agreement is non-exclusive to you We have and retain certain rights in the Marks including the following

1 To grant other licenses for the use of the Marks in addition to those licenses already granted to existing franchisees and development agents,

2 To develop and establish other systems using the Marks or other names or marks, and to grant licenses or franchises in those systems without providing any rights to you, and

3 To engage, directly or indirectly, at wholesale, retail or otherwise, in (a) the production, distribution, license and sale of products and services and (b) the use of the Marks and any and all trademarks, trade names, service marks, logos, insignia, slogans, emblems, symbols, designs and other identifying characteristics we may develop for that purpose

ITEM 14
PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

Patents and Copyrights We have no patents or registered copyrights that are material to the franchise

Confidential Manuals You must operate the Restaurant in accordance with the standards and procedures specified in the Manual One copy of the Manual will be loaned to you by us for the term of the Franchise Agreement

You must treat the Manual and any other manuals we create or approve for use in your operation of the Restaurant, and the information contained in them, as confidential You must also use all reasonable efforts to maintain this information as secret and confidential and you must not duplicate, copy, record or otherwise reproduce these materials, in whole or in part, or make them available to any unauthorized person The Manual remains our sole property and must be kept in a secure place on the Restaurant premises We claim common law copyright protection on all of our Manuals, advertisements, logos, promotional materials, training materials relating to Boardwalk Fries Burgers Shakes Restaurants (excluding those materials expressly identified as belonging to a third-party), and all other copyrightable works of which we are the author

We may revise the contents of the Manual and you must comply with each new or changed standard You must also make sure that the Manual is kept current at all times If there is a dispute regarding the contents of the Manual, the terms of the master copy maintained by us at our home office will be controlling

Confidential Information We claim proprietary rights in certain of our recipes which are included in the Manual and which are our trade secrets You and each of your Controlling Principals are prohibited, during and after the term of your Agreement, from communicating, or using for the benefit of any other person or entity, and, after the term of your Agreement, from using for your or their own benefit, any confidential information, knowledge or know-how concerning the methods of operation of the Restaurant that may be communicated to you or any of your Controlling Principals or that you may learn about, including these trade secrets You and each of your Controlling Principals may divulge this confidential information only to your employees who must have access to it to operate the Restaurant Neither you nor your Controlling Principals are permitted at any time, without first obtaining our written consent, to copy, record or otherwise reproduce the materials or information nor make them available to any unauthorized person Any and all information, knowledge, know-how and techniques related to the System that we communicate to you, including the Manual, recipes, plans and specifications, marketing information and strategies and site evaluation, selection guidelines and techniques, are considered confidential

If we ask, you must have your General Manager and any of your personnel who have received or will have access to confidential information sign confidentiality covenants similar to the ones described above ~~(See Item 17)~~ Your Principals also must sign these covenants

If you, your Controlling Principals, General Manager or employees develop any new concept, process or improvement in the operation or promotion of the Restaurant, you must promptly notify us and give us all necessary information, free of charge You, your Controlling Principals, General Manager and employees must acknowledge that any of these concepts, processes or improvements will become our property and we may give the information to other franchisees

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

When you sign your agreement, you must designate and retain at all times an individual to serve as the "General Manager" If you are an individual, we recommend that you be the General Manager You must also retain other personnel as are needed to operate and manage the Restaurant The General Manager must satisfy our educational and business criteria as provided to you in the Manual or other written instructions, and must be individually acceptable to us In addition, the General Manager must be responsible for the supervision and management of the Restaurant, and must devote full time and best efforts to this activity The General Manager also must satisfy our applicable training requirements If the General Manager cannot serve in the position or does not meet the requirements, he or she must be replaced within 60 days after the General Manager stops serving or no longer meets the requirements Your General Manager is not required to have an ownership interest in you

If you employ any individual as General Manager or in a managerial position who is at the time employed in a managerial position by us or any of our affiliates, or by another of our franchisees, you must pay the former employer for the reasonable costs and expenses the employer incurred for the training of the employee

You must also obtain covenants not to compete, including covenants applicable on the termination of the person's relationship with you, from your General Manager and any of your other personnel who have received or will have access to our training before employment, and any holder of a beneficial interest in you (except for any limited partners) You must have all of your management personnel sign covenants that they will maintain the confidentiality of information they receive or have access to based on their relationship with you~~(see Item 14)~~. We reserve the right, in our discretion, to decrease the period of time or geographic scope of the non-competition covenants contained in the attachments or eliminate the non-competition covenants altogether for any party that must sign an agreement as described in this paragraph ~~(See Item 17)~~

As described in Item 1, we have identified certain persons under the Franchise Agreement that we refer to in this Disclosure Document as your Principals Your Principals include your spouse, if you are a married individual, your Principals also include those of your business entity's officers and directors (including the officers and directors of your general partner, if applicable) whom we designate as your Principals and all holders of an ownership interest in you and in any entity that directly or indirectly controls you, and any other person or entity controlling, controlled by, or under common control with you

If we designate certain of your Principals as Controlling Principals, they must sign the Agreement and agree to be individually bound by certain obligations under the Agreements, including confidentiality and non-competition covenants and they must personally guarantee your performance under the

Agreements We typically designate your principal equity owners and executive officers, as well as any other affiliated entities that operate Restaurants, as Controlling Principals

ITEM 16
RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

You must sell or offer for sale all menu items, food products, and other products and services we require, in the manner and style we require You must sell and offer for sale only the menu items and other products and services that we have expressly approved in writing You must not deviate from our standards and specifications without first obtaining our written consent You must discontinue selling and offering for sale any menu items, products or services that we may disapprove in writing at any time We have the right to change the types of menu items, products and services offered by you at the Restaurant at any time, and there are no limits on our right to make those changes

You must maintain in sufficient supply and use and sell only the food and beverage items, ingredients, products, materials, supplies, and paper goods that conform to our standards and specifications You must prepare all menu items with our recipes and procedures for preparation contained in the Manual or other written instructions, including the measurements of ingredients You must not deviate from our standards and specifications by the use or offer of nonconforming items or differing amounts of any items, without first obtaining our written consent

We may provide to you guidelines concerning the minimum and/or maximum prices for the goods, products and services offered from your Restaurant You may choose to set your own prices, or you may choose to follow our guidelines, but we make no guarantees or warranties that offering the products or merchandise at the suggested price will enhance your sales or profits

We do not impose any other restrictions in the Franchise Agreement or otherwise as to the goods or services that you may offer or sell or as to the customers to whom you may offer or sell

ITEM 17
RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION

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

THE FRANCHISE RELATIONSHIP

Provision	Section in Franchise Agreement	Summary
a Length of the term of the franchise	3 1	Term continues for 10 years from the date of the Franchise Agreement unless terminated earlier
b Renewal or extension of the term	3 2	Agreement may be renewed at your option for an additional 10 year term

Provision		Section in Franchise Agreement	Summary
c	Requirements for franchisee to renew or extend	3 2	You must provide notice that you wish to renew your Franchise Agreement, you must be current in all payments and not in default of your Franchise Agreement, if we require, you must renovate and/or upgrade equipment, you must sign release, sign renewal Franchise Agreement and pay renewal fee You may be asked to sign a contract with materially different terms and conditions than your original contract, except the boundaries of your territory will not change, and the fees on renewal will not be greater than the fees that we then impose on similarly situated renewing franchisees
d	Termination by franchisee	Not applicable	You may terminate the Franchise Agreement on any grounds available by law
e	Termination by franchisor without cause	Not applicable	
f	Termination by franchisor with "cause"	17 1 1	Each of your obligations under the Franchise Agreement is a material and essential obligation, the breach of which may result in termination
g	'Cause" defined – curable defaults	17 1 3 and 17 2	We may terminate you for cause if you fail to cure certain defaults, including if you or any of your affiliates fail to pay any monies owed to us, or our affiliates or vendors, and do not cure within five days after notice (or longer period required), fail to obtain signed copies of the confidentiality and non-competition covenants contained in the Franchise Agreement within five days after a request, fail to procure and maintain required insurance within seven days after notice, use the Marks in an unauthorized manner and fail to cure within 24 hours after notice, fail to cure any other default that is susceptible of cure within 30 days after notice

Provision		Section in Franchise Agreement	Summary
h	"Cause" defined – defaults which cannot be cured	17 1 2 and 17 1 3	We may terminate you for cause if you fail to cure certain defaults, including if you become insolvent, make a general assignment for benefit of creditors, file a petition or have a petition initiated against you under federal bankruptcy laws, have outstanding judgments against you for over 30 days, sell unauthorized products or services, fail to acquire an accepted location within time required, fail to remodel when required, fail to open Restaurant when required, fail to comply with any term and condition of any sublease or related agreement and have not cured the default within the given cure period, abandon or lose right to the Restaurant premises, are convicted of a felony or other crime that may have an adverse affect on the System or Marks, transfer any interest without our consent or maintain false books or records In addition, a default under one agreement with us may result in a termination of all of your other agreements with us This is known as a cross-default provision
i	Franchisee's obligations on termination/non-renewal	18	Obligations include You must stop operating the Restaurant and using the Marks and System and completely de-identify the business, pay all amounts due to us or our affiliates, return the Manual and all other proprietary materials, comply with confidentiality requirements, pay liquidated damages, and at our option, sell or assign to us your rights in the Restaurant premises and the equipment and fixtures used in the business
j	Assignment of contract by Franchisor	14 1	We have the right to transfer or assign the Franchise Agreement to any person or entity without restriction However, no assignment will be made except to an assignee, who in good faith and judgment of the franchisor, is willing and financially able to assume the franchisor's obligations under the franchise agreement
k	"Transfer" by franchisee – defined	14 2 1	Includes sale, assignment, conveyance, pledge, mortgage or other encumbrance of any interest in the Franchise Agreement, the Restaurant or you (if you are not a natural person)

	Provision	Section in Franchise Agreement	Summary
l	Franchisor approval of transfer by franchisee	14 2 2	You must obtain our consent before transferring any interest We will not unreasonably withhold our consent
m	Conditions for franchisor approval of transfer	14 2 2	Conditions include You must pay all amounts due us or our affiliates, not otherwise be in default, sign a general release, and pay a transfer fee Transferee must meet our criteria, attend training and sign current Franchise Agreement
n	Franchisor's right of first refusal to acquire franchisee's business	14 4	Within 30 days after notice, we have the option to purchase the transferred interest on the same terms and conditions
o	Franchisor's option to purchase franchisee's business	18 1 1 and 14 4	Other than assets on termination, non-renewal or right of first refusal, we have no right or obligation to purchase your business
p	Death or disability of franchisee	14 5	If you or a Controlling Principal are a natural person, on death or permanent disability, distributee must be approved by us, or franchise must be transfer to someone approved by us within 12 months after death or within six months after notice of permanent disability
q	Non-competition covenants during the term of the franchise	10 3 1	You are prohibited from operating or having an interest in a similar business
r	Non-competition covenants after the franchise is terminated or expires	10 3 2	You and your Controlling Principals are prohibited for one year from expiration, termination or transfer of the franchise from operating or having an interest in a similar business within 25 miles of any Restaurant in the System
s	Modification of the agreement	10 1 5 and 19 2	Franchise Agreement may not be modified unless mutually agreed to in writing You must comply with our Manual, as it may be amended
t	Integration/merger clause	19 2	Only the terms of the Franchise Agreement and other related written agreements are binding (subject to applicable state law) Nothing in the agreement or in any related agreement is intended to disclaim the representations we made in this disclosure document

Provision		Section in Franchise Agreement	Summary
u	Dispute resolution by arbitration or mediation	19 7, 19 8, 19 9, 19 10 and 19 11	Except for actions brought by us for monies owed, injunctive or extraordinary relief, or actions involving real estate, all disputes must be arbitrated in Maryland
v	Choice of forum	19 8	Howard County, Maryland (see Disclosure Document Addendum and State Amendments to Agreements) (subject to applicable state law)
w	Choice of Law	19 8	The Franchise Agreement is to be interpreted, governed and construed under Maryland law (see Disclosure Document Addendum and State Amendments to Agreement) (subject to applicable state law)

THE MULTI-UNIT OPERATOR RELATIONSHIP

Provision		Section in Multi-Unit Operator Agreement	Summary
a	Term of the Multi-Unit Operator Agreement	6	Length of the Development Schedule
b	Renewal or extension of the term	5	After all Restaurants have been developed, we will negotiate in good faith another Multi-Unit Operator Agreement
c	Requirements for you to renew or extend	Not applicable	
d	Termination by you	Not applicable	You may terminate the agreement on any grounds available by law
e	Termination by us without cause	Not applicable	
f	Termination by us with cause	9	We can terminate if you commit any one of several listed violations
g	"Cause" defined – defaults which can be cured	9	If you use the Marks or System without our consent, participating in a competing business, failure to pay money to us when due, you begin developing a Restaurant before all of your pre-development obligations are met, failure to obtain our consent when required, you open any Restaurant before a Franchise Agreement for that Restaurant has been signed

Provision	Section in Multi-Unit Operator Agreement	Summary
h 'Cause" defined – defaults which cannot be cured	9	Failure to meet your development schedule, failure to comply with applicable laws, if all of your Restaurants stop operating, unauthorized transfer, you make a material misrepresentation to us, conviction by you or your owners of an indictable offense, bankruptcy or insolvency, if a Franchise Agreement with us is terminated according to its terms (this is a cross-default provision)
i Your obligations on termination/non-renewal	10	You must stop selecting sites for Restaurants, and you may not open any more Restaurants
j Assignment of contract by us	11	No restriction on our right to assign However, no assignment will be made except to an assignee, who in good faith and judgment of the franchisor, is willing and financially able to assume the franchisor's obligations under the Multi-Unit Operator Agreement
k "Transfer" by you – definition	11	Includes transfer of any interest in the Multi-Unit Operator Agreement
l Our approval of transfer by you	11	We have the right to approve all transfers, our consent not to be unreasonably withheld
m Conditions for our approval of transfer	11	Conditions for transfer include not being in default, at least 25% of all Restaurants required to be developed are open or under construction, all debts are paid, the buyer meets our current criteria for new Multi-Unit Operators, execution of a general release (where legal), payment of transfer fee, buyer personally guarantees all obligations
n Our right of first refusal to acquire your business	11	We have the right to match the offer to purchase your Business
o Our option to purchase your business	Not applicable	
p Your death or disability	11	Interest must be transferred to an approved party within 12 months
q Non-competition covenants during the term of the franchise	12	Can't divert business or operate a competing business anywhere
r Non-competition covenants after the franchise is terminated or expires	12	No competing business for two years and within 25 miles of any Restaurant in the System

Provision		Section in Multi-Unit Operator Agreement	Summary
s	Modification of the agreement	18	No modifications except by mutual agreement of the parties
t	Integration/merger clause	18	Only the terms of the Multi-Unit Operator Agreement are binding (subject to state law) Nothing in the Multi-Unit Operator Agreement or in any related agreement is intended to disclaim the representations we made in this disclosure document
u	Dispute resolution by arbitration or mediation	19	Except for certain claims, all disputes must be arbitrated in Maryland (subject to state law)
v	Choice of forum	19	Howard County, Maryland (subject to applicable state law)
w	Choice of law	18	Maryland applies (subject to applicable state law)

ITEM 18
PUBLIC FIGURES

We do not use any public figure to promote our franchise

ITEM 19
FINANCIAL PERFORMANCE REPRESENTATIONS

The FTC's Franchise Rule permits a franchisor to provide information about the actual or potential financial performance of its franchised and/or franchisor-owned outlets, if there is a reasonable basis for the information, and if the information is included in the 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

We do not make any representations about a franchisee's future financial performance or the past financial performance of company-owned or franchised outlets We also do not authorize our employees or representatives to make any such representations either orally or in writing If you are purchasing an existing outlet, however, we may provide you with the actual records of that outlet If you receive any other financial performance information or projections of your future income, you should report it to the franchisor's management by contacting David DiFerdinando, 9220 Rumsey Road, Suite 101, Columbia, Maryland 21045, (410) 715-0500, the Federal Trade Commission, and the appropriate state regulatory agencies

ITEM 20
OUTLETS AND FRANCHISEE INFORMATION

Table No 1
System-wide Outlet Summary
For fiscal years ended January 31, ~~2014,~~ 2015, 2016, 2017

Column 1 Outlet Type	Column 2 Year	Column 3 Outlets at the Start of the Year	Column 4 Outlets at the End of the Year	Column 5 Net Change
Franchised	~~2014~~2015	~~12~~16	~~16~~14	~~+4~~-2
	~~2015~~2016	~~16~~14	~~14~~11	~~-2~~3
	~~2016~~2017	~~14~~11	11	~~-3~~0
Company-Owned	~~2014~~2015	0	0	0
	~~2015~~2016	0	0	0
	~~2016~~2017	0	0	0
Total Outlets	~~2014~~2015	~~12~~16	~~16~~14	~~+4~~-2
	~~2015~~2016	~~16~~14	~~14~~11	~~-2~~3
	~~2016~~2017	~~14~~11	11	~~-3~~0

Table No 2
Transfers of Outlets from Franchisees to New Owners (other than the Franchisor)
For fiscal years ended January 31, ~~2014,~~ 2015, 2016, 2017

Column 1 State	Column 2 Year	Column 3 Number of Transfers
~~California~~	~~2014~~	~~0~~
	~~2015~~	~~0~~
	~~2016~~	~~0~~
~~Florida~~	~~2014~~	~~0~~
	~~2015~~	~~0~~
	~~2016~~	~~0~~
~~Georgia~~	~~2014~~	~~0~~
	~~2015~~	~~0~~
	~~2016~~	~~0~~
~~Maryland~~	~~2014~~	~~0~~
	~~2015~~	~~0~~
	~~2016~~	~~0~~
~~New Jersey~~	~~2014~~	~~0~~
	~~2015~~	~~0~~
	~~2016~~	~~0~~
Virginia	~~2014~~2015	1
	~~2015~~	~~1~~
	2016	0
	2017	0
Total	~~2014~~2015	1
	~~2015~~	~~1~~
	2016	0
	2017	0

Table No 3
Status of Franchised Outlets
For fiscal years ended January 31, ~~2014,~~ 2015, 2016, 2017

Col 1 State	Col 2 Year	Col 3 Outlets at Start of Year	Col 4 Outlets Opened	Col 5 Terminations	Col 6 Non-Renewals	Col 7 Reacquired by Franchisor	Col 8 Ceased Operations – Other Reasons	Col 9 Outlets at End of the Year
~~Alabama~~	~~2014~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~
	~~2015~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~
	~~2016~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~
California	~~2014~~2015	~~2~~4	~~2~~0	0	0	0	~~0~~1	~~4~~3
	~~2015~~2016	~~4~~3	~~0~~1	0	0	0	1	3
	~~2016~~2017	3	~~1~~0	0	0	0	~~1~~0	3
Delaware	~~2014~~2015	~~1~~0	0	0	0	0	~~1~~0	0
	~~2015~~2016	0	0	0	0	0	0	0
	~~2016~~2017	0	0	0	0	0	0	0
Florida	~~2014~~2015	1	0	0	0	0	~~0~~1	~~1~~0
	~~2015~~2016	~~1~~0	0	0	0	0	~~1~~0	0
	~~2016~~2017	0	0	0	0	0	0	0
Georgia	~~2014~~2015	~~0~~1	~~1~~0	0	0	0	0	1
	~~2015~~2016	1	0	0	0	0	0	1
	~~2016~~2017	1	0	0	0	0	0	1
Indiana	~~2014~~2015	~~1~~0	0	0	0	0	~~1~~0	0
	~~2015~~2016	0	0	0	0	0	0	0
	~~2016~~2017	0	0	0	0	0	0	0
Maryland	~~2014~~2015	2	0	0	0	0	~~0~~1	~~2~~1
	~~2015~~2016	~~2~~1	0	0	0	0	~~1~~0	1
	~~2016~~2017	1	~~0~~1	0	0	0	0	~~1~~2
Michigan	~~2014~~2015	0	0	0	0	0	0	0
	~~2015~~2016	0	0	0	0	0	0	0
	~~2016~~2017	0	~~0~~1	0	0	0	0	~~0~~1
New Jersey	~~2014~~2015	1	~~0~~1	0	0	0	~~0~~1	1
	~~2015~~2016	1	~~1~~0	0	0	0	~~1~~0	1
	~~2016~~2017	1	0	0	0	0	0	1
Oregon	~~2014~~2015	~~2~~3	~~1~~2	0	0	0	0	~~3~~5
	~~2015~~2016	~~3~~5	~~2~~0	0	0	0	~~0~~1	~~5~~4

Col 1 State	Col 2 Year	Col 3 Outlets at Start of Year	Col 4 Outlets Opened	Col 5 Terminations	Col 6 Non-Renewals	Col 7 Reacquired by Franchisor	Col 8 Ceased Operations – Other Reasons	Col 9 Outlets at End of the Year
	~~2016~~2017	~~5~~4	0	0	0	0	~~1~~2	~~4~~2
~~Pennsylvania~~	~~2014~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~
	~~2015~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~
	~~2016~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~
Texas	~~2014~~2015	~~0~~2	~~2~~0	0	0	0	~~0~~1	~~2~~1
	~~2015~~2016	~~2~~1	0	0	0	0	1	~~1~~0
	~~2016~~2017	~~1~~0	0	0	0	0	~~1~~0	0
Virginia	~~2014~~2015	2	0	0	0	0	0	2
	~~2015~~2016	2	0	0	0	0	~~0~~1	~~2~~1
	~~2016~~2017	~~2~~1	0	0	0	0	~~1~~0	1
Total	~~2014~~2015	~~12~~16	~~6~~3	0	0	0	~~2~~5	~~16~~14
	~~2015~~2016	~~16~~14	~~3~~1	0	0	0	~~5~~4	~~14~~11
	~~2016~~2017	~~14~~11	~~1~~2	0	0	0	~~4~~2	11

Table No 4
Status of Company-Owned Outlets
For fiscal years ended January 31, ~~2014,~~ 2015, 2016, 2017

Col 1 State	Col 2 Year	Col 3 Outlets at Start of Year	Col 4 Outlets Opened	Col 5 Outlets Reacquired from Franchisee	Col 6 Outlets Closed	Col 7 Outlets Sold to Franchisee	Col 8 Outlets at End of the Year
~~None~~Total	~~2014~~2015	0	0	0	0	0	0
	~~2015~~2016	0	0	0	0	0	0
	~~2016~~2017	0	0	0	0	0	0
~~Total~~	~~2014~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~
	~~2015~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~
	~~2016~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~

Table No 5
Projected Openings as of January 31, ~~2016~~2017

Column 1 State	Column 2 Franchise Agreements Signed But Outlet Not Open	Column 3 Projected New Franchised Outlets In The Next Fiscal Year	Column 4 Projected New Company-Owned Outlets In The Next Fiscal Year
California	~~1~~0	2	0
Florida	0	2	0
Maryland	0	0	0
Michigan	~~1~~0	2	0
Ohio	1	2	0
Oregon	0	2	0
Virginia	0	2	0
Total	~~3~~1	12	0

As noted in Item 1, certain of the outlets reflected in the charts in this Item 20, including franchisees and franchisees who are still developing their units, have not been formally transferred to us, pending approval of this Disclosure Document in all of the states in which these outlets are located Final approval is expected shortly

A list of the names of all franchisees, multi-unit operators and the addresses and telephones numbers of their franchises will be provided in Exhibit D to this disclosure document when applicable

The name, city, state and current business telephone number (or if unknown, the last known home telephone number) of every franchisee, multi-unit operator who had a franchise terminated, cancelled, not renewed or otherwise voluntarily or involuntarily ceased to do business under the applicable Agreement during the most recently completed fiscal year or who has not communicated with us within 10 weeks of the issuance date of this disclosure document will be listed on Exhibit E to this disclosure document when applicable **If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system**

During the last three fiscal years, ~~we have not any~~no current or former franchisees ~~sign~~have signed confidentiality ~~provisions~~clauses that ~~would~~ restrict them with discussing with you their ~~ability to speak openly about their experience with the Boardwalk Fries Burgers Shakes System~~experiences as a franchisee in our franchise system

There are no trademark-specific organizations formed by our franchisees that are associated with the Boardwalk Fries Burgers Shakes System

ITEM 21
FINANCIAL STATEMENTS

Attached to this Disclosure Document as Exhibit A are our audited financial statements for the period ending January 31, ~~2014, January 31,~~ 2015, January 31, 2016, and January 31, ~~2016~~2017 ~~Also attached are our unaudited financial statements for the period ending February 29, 2016~~

Our fiscal year end is January 31st

ITEM 22
CONTRACTS

Attached as Exhibits to this Disclosure Document are the following contracts and their attachments

1	Franchise Agreement	Exhibit B
2	Multi-Unit Operator Agreement	Exhibit C
3	Form of General Release	Exhibit J

ITEM 23
RECEIPTS

Two copies of an acknowledgment of your receipt of this Disclosure Document appear at the end of the Disclosure Document Please return one signed copy to us and retain the other for your records

EXHIBIT A TO THE DISCLOSURE DOCUMENT
FINANCIAL STATEMENTS

BOARDWALK FRESH BURGERS AND FRIES, INC

FINANCIAL STATEMENTS

January 31, 2017

I B C ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

The Board of Directors
Boardwalk Fresh Burgers and Fries Inc
Columbia, Maryland

We have audited the accompanying financial statements of Boardwalk Fresh Burgers and Fries, Inc which comprise the balance sheets as of January 31 2017 and 2016 and the related statements of income and retained earnings and cash flows for the years then ended and the related notes to the financial statements

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Boardwalk Fresh Burgers and Fries Inc as of January 31, 2016 and 2017 and the results of its operations and its cash flows for the year then ended from in conformity with accounting principles generally accepted in the United States of America

Kungle & Associates, P.A

March 31, 2017

CONTENTS

BOARDWALK FRESH BURGERS AND FRIES, INC

Balance Sheet
See Accountant s Report

January 31,	2017	2016
ASSETS		
Current Assets		
Cash	$ 34,792	$ 175,062
Accounts receivable	65,811	112 163
Due from related companies	306,475	144,164
Loans receivable from officers	213,395	93,326
Stock subscriptions receivable	21,500	21,500
Total current assets	641 973	546,215
Other Assets		
Franchise agreements	500,000	500 000
Total Assets	$ 1,141 973	$ 1 046,215

LIABILITIES AND STOCKHOLDERS' EQUITY

Accounts payable	$ 88,885	$ 63 453
Loan payable	70,448	-
Deferred revenue	60,000	60,000
Income taxes payable	-	1 000
Total current liabilities	219 333	124 453
Stockholders' Equity		
Common stock - $ 01 par value		
Authorized 7,500,000 shares		
Issued and outstanding 2,150,000 shares	21,500	21,500
Preferred stock - $ 01 par value		
Authorized 2,500 000 shares		
Issued and outstanding 900,000 shares	9,000	9,000
Paid-in capital	891,000	891,000
Retained earnings	1,140	262
Total Stockholders' Equity	922 640	921 762
Total Liabilities and Stockholders' Equity	$ 1,141 973	$ 1,046,215

The notes to financial statements are an integral part of these statements

BOARDWALK FRESH BURGERS AND FRIES, INC

Statements of Income and Retained Earnings
See Accountant's Report

For the year ended January 31,	2017	2016
INCOME		
Franchise and development fees	$ 30,000	$ 444,610
Royalty and marketing income	501,825	501,825
	531,825	946,435
Operating expenses	530,947	933,360
Income before provision for income taxes	878	13,075
Provision for income taxes	-	1,000
Net income	878	12,075

RETAINED EARNINGS

	2017	2016
Retained earnings, beginning of year	$ 262	$ 12,187
Net income	878	12,075
Dividend distributions	-	(24,000)
Retained earnings, end of year	$ 1,140	262

The notes to financial statements are an integral part of these statements

BOARDWALK FRESH BURGERS AND FRIES, INC

Statements of Cash Flows
See Accountant's Report

For the year ended January 31,	2017	2016
Cash flows from operating activities		
Net income	$ 878	$ 12,075
Adjustments to reconcile net income to net cash provided by operating activities		
Amortization	-	-
Changes in operating assets and liabilities		
Accounts receivable	46 352	18,296
Accounts payable	25,432	(69,392)
Income taxes	(1,000)	-
Net cash used in operating activities	71,662	(39,021)
Cash flows from investing activities		
Loans (to) related parties	(282,380)	151 605
Cash flows provided (used) by financing activities		
Loan proceeds	73 000	-
Repayments on loan	(2,552)	-
Dividend distributions	-	(24,000)
	70,448	(24,000)
Net (decrease) increase in cash	(140,270)	88 584
Cash, beginning of period	175,062	86,478
Cash, end of period	$ 34,792	$ 175,062

The notes to financial statements are an integral part of these statements

BOARDWALK FRESH BURGERS AND FRIES, INC

Notes to Financial Statements
See Accountant's Report

For the years ended January 31, 2017 and 2016

1 Line of Business and Summary of Significant Accounting Policies

Nature of Business and Reporting Entity

The Company sells franchise rights to operate Boardwalk Fresh Burgers and Fries outlets The Company is paid development fees for territories and initial franchise fees for franchise sales Royalties are earned based upon a percentage of monthly sales

Basis of Accounting

The accompanying financial statements are prepared on the accrual basis of accounting As such income is recognized in the period earned and expenses are recognized in the period incurred Initial Franchise fees and Development fees are recognized in accordance with Statement of Financial Accounting Standards No 45 Franchise and Development fee revenue from individual and area franchise sales are recognized only when all material services or conditions relating to the sale have been substantially performed or satisfied by the franchisor

Income Taxes

The provision for income taxes is based on income and expenses as reported in the statement of income

Franchise Agreements

Franchise agreements represent the value of the franchises and other assets acquired through the issuance of stock

Subsequent Events

Management has evaluated subsequent events through April 26 2017 Management has determined that no material subsequent events have occurred during the period from February 1, 2017 through April 26 2017

BOARDWALK FRESH BURGERS AND FRIES, INC.

Notes to Financial Statements (continued)
See Accountant s Report

For the years ended January 31, 2017 and 2016

1 **Line of Business and Summary of Significant Accounting Policies (continued)**

Estimates

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures Accordingly, actual results could differ from those estimates Historically, there have been no significant differences between estimates and actual results

2 **Loan payable**

Loan payable in weekly installments of $1,702 bearing interest at 14% maturing in January 2021

3 **Related party Transactions**

Related party transactions are summarized as follows

Transactions with Related Company - Due from related company in the amount of $306,475 at January 31, 2017 and $144 164 at January 31, 2016 represents the net amount due from a related company (D's Inc) for cash advances net of administrative expenses

Loans receivable from officers – Represents advances made to officers in the amount of $213,395 at January 31, 2017 and $93 326 at January 31, 2016 They are non-interest bearing and are due on demand

Stock subscriptions receivable - Stock subscriptions receivable represent the amounts due from stockholders for the issuance of common stock

BOARDWALK FRESH BURGERS AND FRIES, INC

FINANCIAL STATEMENTS

January 31, 2016

CONTENTS

KUCZAK
& ASSOCIATES, P A

CERTIFIED PUBLIC ACCOUNTANTS

139 North Main Street Suite 300
Bel Air, MD 21014

INDEPENDENT AUDITOR'S REPORT

The Board of Directors
Boardwalk Fresh Burgers and Fries Inc
Columbia Maryland

We have audited the accompanying financial statements of Boardwalk Fresh Burgers and Fries Inc which comprise the balance sheets as of January 31 2016 and 2015 and the related statements of income and retained earnings and cash flows for the years then ended and the related notes to the financial statements

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

In our opinion the financial statements referred to above present fairly in all material respects the financial position of Boardwalk Fresh Burgers and Fries Inc as of January 31 2016 and 2015 and the results of its operations and its cash flows for the year then ended from in conformity with accounting principles generally accepted in the United States of America

Kuczak & Associates, P.A.

March 31 2016

BOARDWALK FRESH BURGERS AND FRIES, INC

Balance Sheet
See Accountant s Report

January 31,	2016	2015
ASSETS		
Current Assets		
Cash	$ 175,062	$ 86 478
Accounts receivable	112,163	130,459
Due from related companies	144 164	295 769
Loans receivable from officers	93 326	93,326
Stock subscriptions receivable	21,500	21,500
Total current assets	546,215	627,532
Other Assets		
Franchise agreements	500,000	500,000
Total Assets	$ 1,046 215	$ 1,127 532

LIABILITIES AND STOCKHOLDERS' EQUITY		
Accounts payable	$ 63,453	$ 132,845
Deferred revenue	60,000	60,000
Income taxes payable	1,000	1 000
Total current liabilities	124,453	193,845
Stockholders Equity		
Common stock - $ 01 par value		
Authorized 7,500,000 shares		
Issued and outstanding 2,150,000 shares	21 500	21 500
Preferred stock - $ 01 par value		
Authorized 2,500,000 shares		
Issued and outstanding 900,000 shares	9,000	9,000
Paid-in capital	891,000	891,000
Retained earnings	262	12,187
Total Stockholders Equity	921,762	933 687
Total Liabilities and Stockholders' Equity	$ 1,046,215	$ 1,127 532

The notes to financial statements are an integral part of these statements

BOARDWALK FRESH BURGERS AND FRIES, INC

Statements of Income and Retained Earnings
See Accountant s Report

For the yeai ended January 31,	2016	2015
INCOME		
Franchise and development fees	$ 444,610	$ 1,000,824
Royalty and marketing income	501 825	781,488
	946 435	1,781,488
Operating expenses	933,360	1,773 394
Income before provision for income taxes	13,075	8 094
Provision for income taxes	1,000	1,000
Net income	$ 12 075	$ 7,094

RETAINED EARNINGS

Retained earnings, beginning of year	$ 12,187	$ 15 209
Net income	12,075	7,094
Dividend distributions	(24,000)	(6,000)
Retained earnings end of year	$ 262	$ 12 187

The notes to financial statements are an integral part of these statements

BOARDWALK FRESH BURGERS AND FRIES, INC

Statements of Cash Flows
See Accountant s Report

For the year ended January 31,	2016	2015
Cash flows from operating activities		
Net income	$ 12 075	$ 7,094
Adjustments to reconcile net income to net cash provided by operating activities		
Amortization	-	8 114
Changes in operating assets and liabilities		
Accounts receivable	18,296	(50,673)
Accounts payable	(69,392)	89 966
Deferred income	-	(280 000)
Net cash used in operating activities	(39 021)	(225 499)
Cash flows from investing activities		
Loans to related parties	151,605	184,148
Cash flows used by financing activities		
Dividend distributions	(24,000)	(6,000)
Net (decrease) increase in cash	88,584	(47 351)
Cash, beginning of period	86,478	133,829
Cash, end of period	$ 175,062	$ 86,478

The notes to financial statements are an integral part of these statements

BOARDWALK FRESH BURGERS AND FRIES, INC

Notes to Financial Statements
See Accountant s Report

For the years ended January 31, 2016 and 2015

1 Line of Business and Summary of Significant Accounting Policies

Nature of Business and Reporting Entity

The Company sells franchise rights to operate Boardwalk Fresh Burgers and Fries outlets The Company is paid development fees for territories and initial franchise fees for franchise sales Royalties are earned based upon a percentage of monthly sales

Basis of Accounting

The accompanying financial statements are prepared on the accrual basis of accounting As such income is recognized in the period earned and expenses are recognized in the period incurred Initial Franchise fees and Development fees are recognized in accordance with Statement of Financial Accounting Standards No 45 Franchise and Development fee revenue from individual and area franchise sales are recognized only when all material services or conditions relating to the sale have been substantially performed or satisfied by the franchisor

Income Taxes

The provision for income taxes is based on income and expenses as reported in the statement of income

Franchise Agreements

Franchise agreements represent the value of the franchises and other assets acquired through the issuance of stock

Organization Costs

Organization expenses are amortized using the straight line method over a five year period Amortization expense amounted to $8 114 for the year ended January 31, 2015

Subsequent Events

Management has evaluated subsequent events through March 31, 2016 Management has determined that no material subsequent events have occurred during the period from February 1, 2016 through March 31, 2016

1 Line of Business and Summary of Significant Accounting Policies (continued)

Estimates

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures Accordingly actual results could differ from those estimates Historically, there have been no significant differences between estimates and actual results

2 Related party Transactions

Related party transactions are summarized as follows

Transactions With Related Company - Due from related company in the amount of $144,164 at January 31 2016 and $295,769 at January 31, 2015 represents the net amount due from a related company (D s Inc) for cash advances net of administrative expenses D s Inc provided administrative services totaling $100,000 and $125,000 for the years ended January 31 2016 and 2015

Stock subscriptions receivable - Stock subscriptions receivable represent the amounts due from stockholders for the issuance of common stock Loans receivable from officers represent advances made to officers

EXHIBIT B TO THE DISCLOSURE DOCUMENT
FRANCHISE AGREEMENT

BOARDWALK FRESH BURGERS AND FRIES, INC
T/A Boardwalk Fries Burgers Shakes

FRANCHISE AGREEMENT

____
FRANCHISEE

____
DATE

TABLE OF CONTENTS

ATTACHMENTS

A - Accepted Location and Territory
B - Collateral Assignment of Lease
C - Statement of Ownership Interests and Franchisee's Principals
D - Confidentiality and Non-Competition Agreement
E - Electronic Transfer Authorization
F - Internet Websites and Listings Agreement, Telephone Listing Agreement
G - Power of Attorney (Tax)
H - State Specific Addenda
I - Transfer of a Franchise to a Corporation or Limited Liability Company
J - Franchisee Disclosure Acknowledgment Statement
K - Site Evaluation Package and Form

BOARDWALK FRESH BURGERS AND FRIES, INC

FRANCHISE AGREEMENT

THIS FRANCHISE AGREEMENT (the "Agreement') is made and entered into by and between Boardwalk Fresh Burgers and Fries, Inc , a Delaware corporation, t/a Boardwalk Fries Burgers Shakes, having its principal place of business at 9220 Rumsey Road, Suite 101, Columbia, Maryland 21045 ("we", "us" or "our") and ________________, a _________ corporation/limited liability company/partnership, having its principal place of business at ______________________________ ("you" or "your") on the date this Agreement is executed by us below (the "Effective Date")

WITNESSETH

WHEREAS, as the result of the expenditure of time, skill, effort and money, we and our affiliate have developed and own a unique and distinctive system (hereinafter "System") relating to the establishment and operation of fast casual restaurants operating under the name "Boardwalk Fries Burgers Shakes " restaurant offering french fries, fresh hamburger sandwiches and fountain products,

WHEREAS, the distinguishing characteristics of the System include, without limitation, distinctive exterior and interior design, decor, color scheme, and furnishings, proprietary products and ingredients, proprietary recipes and special menu items, uniform standards, specifications, and procedures for operations, quality and uniformity of products and services offered, procedures for inventory, management and financial control, training and assistance, and advertising and promotional programs, all of which may be changed, improved, and further developed by us from time to time,

WHEREAS, we identify the System by means of certain trade names, service marks, trademarks, logos, emblems and indicia of origin, including, but not limited to, the mark "Boardwalk Fries Burgers Shakes" and such other trade names, service marks, and trademarks as are now designated (and may hereafter be designated by us in writing) for use in connection with the System (hereinafter referred to as "Marks"),

WHEREAS, we and our affiliate continue to develop, use and control the use of such Marks in order to identify for the public the source of services and products marketed thereunder and under the System, and to represent the System's high standards of quality, appearance and service,

WHEREAS, you understand and acknowledge the importance of our high standards of quality, cleanliness, appearance and service and the necessity of operating the business franchised hereunder in conformity with our standards and specifications, and

WHEREAS, you desire to use the System in connection with the operation of a restaurant at the location accepted by us as herein provided, as well as to receive the training and other assistance provided by us in connection therewith

NOW, THEREFORE, the parties, in consideration of the mutual undertakings and commitments set forth herein, the receipt and sufficiency of which are hereby acknowledged, agree as follows

ARTICLE 1
GRANT

1 1 Grant of Franchise

In reliance on the representations and warranties of you and your Controlling Principals (as defined in Section 19 18) hereunder, we hereby grant to you, upon the terms and conditions in this Agreement, the right and license, and you hereby accept the right and obligation, to operate a Boardwalk Fries Burgers Shakes Restaurant under the Marks and the System in accordance with this Agreement ("Restaurant" or "Franchised Business") You and the Controlling Principals have represented to us that you have entered into this Agreement with the intention to comply fully with the obligations to construct a Restaurant hereunder and not for the purpose of reselling the rights to develop the Restaurant hereunder You and the Controlling Principals understand and acknowledge that we have granted such rights in reliance on the business skill, financial capacity, personal character of, and expectations of performance hereunder by, you and the Controlling Principals and that this Agreement and the rights and obligations hereunder may not be transferred until after the Restaurant is open for business to the public in accordance with Section 2 6, and then only in accordance with Article 16 hereof

1 2 Accepted Location

The specific street address of the Restaurant location accepted by us shall be set forth in Attachment A ("Location" or "Accepted Location") You shall not relocate the Restaurant without our express prior written consent, which consent shall not be unreasonably withheld This Agreement does not grant to you the right or license to operate the Restaurant or to offer or sell any products or services described under this Agreement at or from any other location

1 3 Relocation

If you are unable to continue the operation of the Restaurant at the Accepted Location because of the occurrence of a force majeure event (as described in Section 17 1 3(e)), then you may request our approval to relocate the Restaurant to another location in the Territory, as that term is defined below, which approval shall not be unreasonably withheld Any other relocation outside the Territory or a relocation of the Restaurant not caused by force majeure shall also be subject to our prior approval If we elect to grant you the right to relocate the Restaurant, then you shall comply with the site selection and construction procedures set forth in Article 2

1 4 Territory

Upon the execution of this Agreement, you will be assigned an exclusive territory (the "Territory") that will also be described in Attachment A Except as provided in this Agreement, and subject to your and the Controlling Principals' material compliance with this Agreement, any other agreement among you or any of your affiliates (defined for the purposes hereof as any entity that is controlled by, controlling or under common control with such other entity) and us, we shall not establish or authorize any other person or entity, other than you, to establish a Restaurant in the Territory during the term of this Agreement and any extensions hereof You acknowledge and understand that the rights granted hereunder pertain only to the establishment of a Restaurant You acknowledge and agree that our affiliates currently operate, or may in the future operate, restaurants under different marks and with operating systems that are the same as or similar to the System, and that any such restaurants might compete with your Restaurant You further agree and acknowledge that the license granted hereby is only for the operation of one (1) Restaurant and only at a location approved by us

1 5 Our Reserved Rights

Except as expressly limited by Section 1 4, we and our affiliates retain all rights with respect to Restaurants, the Marks and the sale of any products and services outside of your Territory, including, without limitation, the right

1 5 1 to produce, offer and sell and to grant others the right to produce, offer and sell the products offered at Restaurants and any other goods displaying the Marks or other trade and service marks through alternative distribution channels, as described below, both within and outside the Territory, and under any terms and conditions we deem appropriate "Alternative distribution channels" include, but are not limited to, the Internet, catalog sales, grocery stores, club stores, telemarketing or other direct marketing sales,

1 5 2 to operate and to grant others the right to operate Restaurants located outside the Territory under any terms and conditions we deem appropriate and regardless of proximity to your Restaurant, and

1 5 3 the right to acquire and operate a business operating one or more restaurants or food service businesses located or operating in the Territory

ARTICLE 2
SITE SELECTION, PLANS AND CONSTRUCTION

2 1 Your Responsibility to Locate a Site

You assume all cost, liability, expense and responsibility for locating, obtaining and developing a site for the Restaurant within the Territory, and for constructing and equipping the Restaurant at such site You shall not make any binding commitment to a prospective vendor or lessor of real estate with respect to a site for the Restaurant unless the site is accepted by us as set forth below You acknowledge that the location, selection, procurement and development of a site for the Restaurant is your responsibility, that in discharging such responsibility you shall consult with real estate and other professionals of your choosing, and that our approval of a prospective site and the rendering of assistance in the selection of a site does not constitute a representation, promise, warranty or guarantee, express or implied, by us that the Restaurant operated at that site will be profitable or otherwise successful

2 2 Site Selection

2 2 1 Prior to acquiring by lease or purchase a site for the Restaurant, but within one hundred twenty (120) days of the date this Agreement is executed, you shall locate a site for the Restaurant that satisfies the site selection guidelines provided to you by us pursuant to Section 5 1 and shall submit to us in the form specified by us a description of the site (see Attachment J Site Evaluation Package and Form), including evidence reasonably satisfactory to us demonstrating that the site satisfies our site selection guidelines, together with such other information and materials as we may reasonably 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 We shall have thirty (30) days after receipt of this information and materials to approve or disapprove, in our sole discretion, the proposed site as the location for the Restaurant No site may be used for the location of the Restaurant unless it is first accepted in writing by us Upon our approval of the location for your Restaurant, you agree to pay our site review costs, as described in Section 4 1 below You acknowledge and agree that our approval of a location for the Restaurant is not a warranty or guaranty, express or implied, that you will achieve any particular level of success at the location or that your Restaurant will be profitable Our approval of a location for the Restaurant only signifies that the location meets our then-current minimum criteria for a

Boardwalk Fries Burgers Shakes Restaurant If you are unable to locate a suitable site within this one hundred twenty (120) day period, we have the right to terminate this Agreement without providing you with a refund of any monies you paid to us

2 2 2 If you elect to purchase the premises for the Restaurant, you shall submit a copy of the proposed contract of sale to us for our written approval prior to its execution and shall furnish to us a copy of the executed contract of sale within ten (10) days after execution If you will occupy the premises of the Restaurant under a lease or sublease, you shall submit a copy of the lease or sublease to us for written approval prior to its execution and shall furnish to us a copy of the executed lease or sublease within ten (10) days after execution No lease or sublease for the Restaurant premises shall be accepted by us unless a Collateral Assignment of Lease, prepared by us and executed by us, you and the lessor or sublessor, in substantially the form attached as Attachment B, is attached to the lease and incorporated therein We shall have ten (10) days after receipt of the lease, sublease or the proposed contract of sale to either approve or disapprove such documentation prior to its execution

2 2 3 After a location for the Restaurant is accepted by us and acquired by you pursuant to this Agreement the location shall be described in Attachment A

2 3 Zoning Clearances, Permits and Licenses

You shall be responsible for obtaining all zoning classifications and clearances which may be required by state or local laws, ordinances or regulations or which may be necessary as a result of any restrictive covenants relating to the Restaurant premises Prior to beginning the construction of the Restaurant, you shall (i) obtain all permits, licenses and certifications required for the lawful construction or remodeling and operation of the Restaurant, and (ii) certify in writing to us that the insurance coverage specified in Article 12 is in full force and effect and that all required approvals, clearances, permits and certifications have been obtained Upon written request, you shall provide to us additional copies of your insurance policies or certificates of insurance and copies of all such approvals, clearances, permits and certifications

2 4 Design of Restaurant

You must obtain any architectural, engineering and design services you deem necessary for the construction of the Restaurant at your own expense from an architectural design firm approved by us, which approval shall not be unreasonably withheld You shall adapt the prototypical architectural and design plans and specifications for construction of the Restaurant provided to you by us in accordance with Section 5 2 as necessary for the construction of the Restaurant and shall submit such adapted plans to us for our review If we determine, in our reasonable discretion, that any such plans are not consistent with the best interests of the System, we may prohibit the implementation of such plans, and in this event will notify you of any objection(s) within ten (10) days of receiving such plans If we fail to notify you of an objection to the plans within this time period, you may use such plans If we object to any such plans, we shall provide you with a reasonably detailed list of changes necessary to make the plans acceptable We shall, upon a re-submission of the plans with such changes, notify you within ten (10) days of receiving the resubmitted plans whether the plans are acceptable If we fail to notify you in writing of any objection within such time period, you may use the resubmitted plans You acknowledge that our review of such plans relates only to compliance with the System and that acceptance by us of such plans does not constitute a representation, warranty, or guarantee, express or implied, by us that such plans are accurate or free of error concerning their design or structural application

2 5 Build-Out of Restaurant

You shall commence and diligently pursue construction or remodeling (as applicable) of the Restaurant Commencement of construction shall be defined as the time at which any site work is initiated by you or on your behalf at the location accepted for the Restaurant Site work includes, without limitation, paving of parking areas, installing outdoor lighting and sidewalks, extending utilities, demising of interior walls and demolishing of any existing premises During the time of construction or remodeling, you shall provide us with such periodic reports regarding the progress of the construction or remodeling as may be reasonably requested by us In addition, we may make such on-site inspections as we may deem reasonably necessary to evaluate such progress You shall notify us of the scheduled date for completion of construction or remodeling no later than thirty (30) days prior to such date Within a reasonable time after the date of completion of construction or remodeling, we may, at our option, conduct an inspection of the completed Restaurant You acknowledge and agree that you will not open the Restaurant for business without our written authorization and that authorization to open shall be conditioned upon your strict compliance with this Agreement

2 6 Opening Date, Time is of the Essence

You acknowledge that time is of the essence The date the Restaurant actually opens for business to the public is herein called the "Opening Date" Prior to opening, you shall complete all exterior and interior preparations for the Restaurant, including payment of a layout and design fee ($2,500 to $3,000) to our approved design company upon execution of your lease, installation of equipment, fixtures, furnishings and signs, pursuant to the plans and specifications reasonably approved by us, and shall comply with all of your other pre-opening obligations, including, but not limited to, those obligations described in Sections 6 2 through 6 7, to our reasonable satisfaction If you fail to reasonably comply with any of such obligations, except for delay caused by a force majeure act as described in Section 17 1 3(e), we shall have the right to prohibit you from commencing business Your failure to open the Restaurant and commence business in accordance with the foregoing shall be deemed an event of material default under this Agreement

ARTICLE 3
TERM AND RENEWAL

3 1 Term

Unless sooner terminated as provided in Article 17 hereof, the term of this Agreement shall continue from the date stated on the first page hereof for a period of ten (10) years

3 2 Renewal

Subject to the provisions of this Section, you shall have an option (exercisable only by written notice delivered to us less than nine (9) months, but more than six (6) months, prior to the end of the Initial Term of this Agreement) to renew the franchise hereunder for an additional ten (10) year term, if

3 2 1 you have been, throughout the Initial Term of this Agreement, in substantial compliance, and at the expiration of such Initial Term are in full compliance, with this Agreement, the lease and all other agreements between you and us or companies associated or affiliated with us,

3 2 2 you enter into our then-current Franchise Agreement and all other ancillary agreements, instruments and documents then customarily used by us in the granting of franchises (which then-current Franchise Agreement may materially differ from this Agreement, including a higher rate of fees, different methods of calculating fees due, and different payment methods, which shall be the same as those set out in the franchise agreements being executed at the time of renewal),

3 2 3 you are able to maintain possession of the Premises for the Franchised Business (or at relocated Premises pursuant to Section 1 3 hereof) pursuant to a lease reasonably acceptable to us,

3 2 4 you refurbish, upgrade, and/or renovate your Restaurant as we require in order that your Restaurant will meet our then-current standards and image for Boardwalk Fries Burgers Shakes Restaurants,

3 2 5 the landlord of the Premises consents to a renewal or extension of the lease,

3 2 6 at the time the renewal option is exercised and at the time such renewal commences, all monetary obligations to us and any affiliate of ours must be current and must have been current at all times during the preceding twelve (12) months,

3 2 7 you execute a general release running in favor of us, our affiliates and our respective officers, directors and shareholders releasing all claims against us, our officers, directors and shareholders, and

3 2 8 you pay to us a renewal fee in the amount of Five Thousand Dollars ($5,000)

3 3 Refusal to Renew Franchise Agreement

We can refuse to renew your franchise in certain circumstances, including, but not limited to, if you fail to substantially comply with the terms of this Agreement, you fail to pay amounts owed to us when due, or you fail to cure of any defaults incurred during the initial term of this Agreement, if applicable

3 4 Renewal Under Law

Even though we decline the renewal of your franchise, it is possible that we can be required to renew it under a law, rule, regulation, statute, ordinance, or legal order that is applicable at the time If that happens, to the extent it is allowed by the concerned law, rule, regulation, statute, ordinance or order, your renewal term will be subject to the conditions of the Franchise Agreement we are using for new franchisees at the time the renewal period begins If we are not then offering new franchises, your renewal period will be subject to the terms in the Franchise Agreement that we indicate If for any reason that is not allowed, the renewal term will be governed by the terms of this Agreement

3 5 Your Election Not to Renew

For the purposes hereof, you shall be deemed to have irrevocably elected not to renew the franchise hereunder (and the option to do so shall thereupon terminate) if you fail to execute and return to us our then-standard Franchise Agreement and other ancillary documents required by us for a renewal franchise within thirty (30) days after we have delivered them to you

ARTICLE 4
FEES

4 1 Initial Franchise Fee, Site Review Costs

You shall pay to us an initial franchise fee of Thirty Thousand Dollars ($30,000) which shall be paid upon the execution of this Agreement The amount of the initial franchise fee when so paid shall be deemed fully earned in consideration of the administrative and other expenses incurred by us in granting the franchise hereunder and for our lost or deferred opportunity to grant such franchise to any other party

If your lease ıs executed and your lease ınforms your landlord that the lease and premıses wıll be for the operatıon of a Boardwalk Frıes Burgers Shakes you must sıgn our Franchıse Agreement and pay us the ınıtıal Franchıse Fee ın the amount of Thırty Thousand Dollars ($30,000 00) concurrent wıth the executıon of your lease

If you elect to use our approved supplıer to assıst you wıth sıte selectıon, then you shall also pay our sıte revıew costs based on our level of ınvolvement ın the sıte selectıon process, and you agree to reımburse our out-of-pocket expenses related to such sıte revıew The sıte revıew costs are estımated to be between Fıve Thousand Dollars ($5,000) and Twenty Thousand Dollars ($20,000) The sıte revıew costs, ıf applıcable, are payable upon our notıce to you that your proposed sıte ıs approved by us The sıte revıew costs are fully earned by us upon receıpt and are not refundable under any cırcumstances

4 2 Royalty Fees

4 2 1 Durıng the term of thıs Agreement, you shall pay to us, ın partıal consıderatıon for the rıghts hereın granted, a contınuıng weekly royalty fee of sıx percent (6%) of Gross Sales Such royalty fee shall be due and payable each week based on the Gross Sales for the precedıng week endıng Sunday so that ıt ıs receıved by us by electronıc funds transfer on or before the Monday of each week, provıded that such day ıs a busıness day If the date on whıch such payments would otherwıse be due ıs not a busıness day, then payment shall be due on the next busıness day

4 2 2 Each such royalty fee shall be preceded by a royalty report ıtemızıng the Gross Sales for the precedıng week endıng Sunday ("Royalty Report") and any other reports requıred hereunder Notwıthstandıng the foregoıng, you shall provıde us wıth such Gross Sales ınformatıon by Sunday of each week by modem or, ıf not reasonably avaılable, by facsımıle transmıssıon or such other method of delıvery as we may reasonably dırect

4 2 3 If any state ımposes a sales or other tax on the Royalty Fees, then we have the rıght to collect thıs tax from you

4 3 Marketıng Fee

In addıtıon to the royalty fee descrıbed ın Sectıon 4 2 above, you agree to pay to us a marketıng fee ın an amount equal to two percent (2%) of the Restaurant's Gross Sales Upon thırty (30) days' advance wrıtten notıce to you, we may ıncrease the marketıng fee to three percent (3%) of Gross Sales Such marketıng fee shall be contrıbuted to a Marketıng Fund maıntaıned by us, as descrıbed ın Sectıon 8 3 below The marketıng fee ıs payable to us at the same tıme and ın the same manner as the royalty fee

4 4 Payments to Us

By executıng thıs Agreement, you agree that we shall have the rıght to wıthdraw funds from your desıgnated bank account each month by electronıc funds transfer ("EFT") ın the amount of the royalty fee, marketıng fee and any other payments due to us and/or our affılıates If you do not report the Restaurant's Gross Sales, we may debıt your account for one hundred twenty percent (120%) of the last royalty fee and marketıng fee that we debıted If the royalty fee and marketıng fee we debıt are less than the royalty fee and marketıng fee you actually owe to us, once we have been able to determıne the Restaurant's true and correct Gross Sales, we wıll debıt your account for the balance on a day we specıfy If the royalty fee and marketıng fee we debıt are greater than the royalty fee and marketıng fee you actually owe, we wıll credıt the excess agaınst the amount we otherwıse would debıt from your account durıng the followıng week You shall, upon executıon of thıs Agreement or at any tıme thereafter at our request, execute such documents or forms as we or your bank determıne are necessary for us to process EFTs from your desıgnated bank account for the payments due hereunder If payments are not receıved when due, interest may be charged by us in accordance with Section 4 5 below Upon written notice to you, you may be required to pay such fees directly to us in lieu of EFT, at our sole discretion

4 5 Interest on Overdue Amounts

You shall not be entitled to withhold payments due us under this Agreement on grounds of alleged non-performance by us hereunder Any payment or report not actually received by us on or before its due date shall be deemed overdue Time is of the essence with respect to all payments to be made by you to us All unpaid obligations under this Agreement shall bear interest from the date due until paid at the lesser of (i) one and one-half percent (1 5%) per month, or (ii) the maximum rate allowed by applicable law Notwithstanding anything to the contrary contained herein, no provision of this Agreement shall require the payment or permit the collection of interest in excess of the maximum rate allowed by applicable law If any excess of interest is provided for herein, or shall be adjudicated to be so provided in this Agreement, the provisions of this paragraph shall govern and prevail, and neither you nor your Controlling Principals shall be obligated to pay the excess amount of such interest If for any reason interest in excess of the maximum rate allowed by applicable law shall be deemed charged, required or permitted, any such excess shall be applied as a payment and reduction of any other amounts which may be due and owing hereunder, and if no such amounts are due and owing hereunder then such excess shall be repaid to the party that paid such interest

4 6 Definition of Gross Sales

"Gross Sales" shall mean the total selling price of all services and products and all income of every other kind and nature related to the Restaurant (including, without limitation, income related to catering and delivery activities, and any sales or orders of food products or food preparation services provided from or related to the Restaurant), whether for cash or credit and regardless of collection in the case of credit In the event of a cash shortage, the amount of Gross Sales shall be determined based on the records of the electronic cash register system and any cash shortage shall not be considered in the determination Gross Sales expressly excludes taxes collected from your customers and paid to the appropriate taxing authority and customer refunds or adjustments

4 7 Insufficient Funds Fee

If, for any reason, any payment owed by you to us is denied by your bank due to insufficient funds in your account, then you shall, in addition to applicable interest as described in Section 4 5 above, pay us an insufficient funds fee in the amount of Twenty Dollars ($20) If any payment owed by you to us is denied by your bank because you have changed banks and have not notified us of such change, then you shall, in addition to applicable interest as described in Section 4 5 above, pay us an insufficient funds fee in the amount of Fifty Dollars ($50)

4 8 Payment of Additional Fees

You shall pay such other fees or amounts described in this Agreement

ARTICLE 5
OUR OBLIGATIONS

We agree to provide the services described below with regard to the Restaurant

5 1 Site Selection Assistance

Our written site selection guidelines and such site selection assistance as we may deem advisable

5 2 Prototype Design Plans

On loan, one (1) set of prototypical architectural and design plans and specifications for a Restaurant You shall independently, and at your expense, have such architectural and design plans and specifications adapted for construction of the Restaurant in accordance with Article 2

5 3 Confidential Operations Manual

On loan, one (1) set of Confidential Operations Manuals and such other manuals and written materials as we shall have developed for use in the Franchised Business (as the same may be revised by us from time to time, the "Manuals"), as more fully described in Section 10 1 The Manuals may, in our discretion, be provided electronically or via an intranet website for all Boardwalk Fries Burgers Shakes Restaurants in the System

5 4 Visits and Evaluations

Visits to the Restaurant and evaluations of the products sold and services rendered therein from time to time as reasonably determined by us, as more fully described in Section 7 5 6

5 5 Advertising and Promotional Materials

Certain advertising and promotional materials and information developed by us and/or our affiliate from time to time for use by you in marketing and conducting local advertising for the Restaurant at a reasonable cost to you We shall have the right to review and approve or disapprove all advertising and promotional materials that you propose to use, pursuant to Article 8, including print, online & digital advertising and promotional materials

5 6 Management and Operations Advice

Advice and written materials concerning techniques of managing and operating the Restaurant from time to time developed by us, including new developments and improvements in Restaurant equipment, food products and the packaging and preparation thereof and menu items

5 7 Products for Resale

From time to time and at our reasonable discretion, at a reasonable cost, make available for resale to your customers certain merchandise identifying the System, such as logoed merchandise and memorabilia, in sufficient amounts to meet customer demand We may specify that you must purchase such merchandise from us, our affiliate, or another designated supplier

5 8 Approved Suppliers

A list of approved suppliers as described in Section 7 4 from time to time as we deem appropriate

5 9 Initial Training Program

An initial training program for you and your General Manager, as well as other training programs in accordance with the provisions of Section 6 4

5 10 Marketing Fund

Establishment and administration of a marketing fund and/or advertising cooperatives in accordance with Article 8

ARTICLE 6
YOUR AGREEMENTS, REPRESENTATIONS, WARRANTIES AND COVENANTS

6 1 Use Commercially Reasonable Efforts

Each of you and the Controlling Principals covenants and agrees that they shall make all commercially reasonable efforts to operate the Restaurant so as to achieve optimum sales

6 2 Representations of Corporate Entity

If you are a corporation, limited liability company, or partnership, you and the Controlling Principals represent, warrant and covenant that

6 2 1 You are duly organized and validly existing under the state law of your formation,

6 2 2 You are duly qualified and are authorized to do business in each jurisdiction in which your business activities or the nature of the properties owned by you require such qualification,

6 2 3 Your corporate charter, operating agreement, or written partnership agreement shall at all times provide that your activities are confined exclusively to the operation of the Restaurant, unless otherwise consented to in writing by us,

6 2 4 The execution of this Agreement and the consummation of the transactions contemplated hereby are within your corporate power, if you are a corporation, or if you are a limited liability company, permitted under your operating agreement, or if you are a partnership, permitted under your written partnership agreement and have been duly authorized by you,

6 2 5 If you are a corporation or a limited liability company, copies of your articles of incorporation, bylaws, operating agreement, other governing documents, any amendments thereto, resolutions of the Board of Directors authorizing entry into and performance of this Agreement, and any certificates, buy-sell agreements or other documents restricting the sale or transfer of stock of the corporation, and any other documents as may be reasonably required by us shall be furnished to us prior to the execution of this Agreement, or, if you are a partnership, copies of your written partnership agreement, other governing documents and any amendments thereto shall be furnished to us prior to the execution of this Agreement, including evidence of consent or approval of the entry into and performance of this Agreement by the requisite number or percentage of partners, if such approval or consent is required by your written partnership agreement,

6 2 6 If you are a corporation, partnership or other form of legal entity other than an individual, the ownership interests in you are accurately and completely described in Attachment C Further, if you are a corporation, you shall maintain at all times a current list of all owners of record and all beneficial owners of any class of voting securities in you or, if you are a partnership or other form of legal entity, you shall maintain at all times a current list of all owners of an interest in the partnership or entity You shall immediately provide a copy of the updated list of all owners to us upon the occurrence of any change of ownership and otherwise make your list of owners available to us upon reasonable written request,

6 2 7 If you are a corporation, you shall maintain stop-transfer instructions against the transfer on your records of any of equity securities and each stock certificate representing stock of the corporation shall have conspicuously endorsed upon it a statement in a form satisfactory to us that it is held subject to all restrictions imposed upon assignments by this Agreement, provided, however, that the

requirements of this Section shall not apply to the transfer of equity securities of a publicly held corporation (as defined in Section 19 18) If you are a partnership or limited liability company, your written agreement shall provide that ownership of an interest in the entity is held subject to all restrictions imposed upon assignments by this Agreement,

6 2 8 You must have provided us with your most recent financial statements Such financial statements present fairly your financial position, at the dates indicated therein and with respect to you, the results of your operations and your cash flow for the years then ended You agree that you shall maintain at all times, during the term of this Agreement, sufficient working capital to fulfill your obligations under this Agreement Each of the financial statements mentioned above shall be certified as true, complete and correct and shall have been prepared in conformity with generally accepted accounting principles applicable to the respective periods involved and, except as expressly described in the applicable notes, applied on a consistent basis No material liabilities, adverse claims, commitments or obligations of any nature exist as of the date of this Agreement, whether accrued, unliquidated, absolute, contingent or otherwise, which are not reflected as liabilities on your financial statements

6 2 9 If, after the execution of this Agreement, any person ceases to qualify as one of your Principals (defined in Section 19 18) or if any individual succeeds to or otherwise comes to occupy a position which would, upon designation by us, qualify him as one of your Principals, you shall notify us within ten (10) days after any such change and, upon designation of such person by us as one of your Principals or as a Controlling Principal, as the case may be, such person shall execute such documents and instruments (including, as applicable, this Agreement) as may be required by us to be executed by others in such positions,

6 2 10 Your Principals shall each execute and bind themselves to the confidentiality and non-competition covenants set forth in the Confidentiality Agreement and Ancillary Covenants Not to Compete which forms Attachment D to this Agreement (see Sections 10 2 2 and 10 3 4) The Controlling Principals shall, jointly and severally, guarantee your performance of all of your obligations, covenants and agreements hereunder pursuant to the terms and conditions of the guaranty contained herein, and shall otherwise bind themselves to the terms of this Agreement as stated herein, and

6 2 11 You and the Controlling Principals acknowledge and agree that the representations, warranties and covenants set forth above in Sections 6 2 1 through 6 2 10 are continuing obligations of you and the Controlling Principals, as applicable, and that any failure to comply with such representations, warranties and covenants shall constitute a material event of default under this Agreement You and the Controlling Principals will cooperate with us in any efforts made by us to verify compliance with such representations, warranties and covenants

6 3 General Manager

You shall designate and retain at all times a general manager ("General Manager") to direct the operation and management of the Restaurant The General Manager shall be responsible for the daily operation of the Restaurant and may be one of the Controlling Principals The General Manager shall, during the entire period he serves as General Manager, meet the following qualifications

6 3 1 The General Manager shall satisfy our educational and business experience criteria as set forth in the Manuals as defined herein or otherwise in writing by us,

6 3 2 The General Manager shall devote full time and best efforts to the supervision and management of the Restaurant,

6 3 3 The General Manager shall be an individual acceptable to us, and

6 3 4 The General Manager shall satisfy the training requirements set forth in Section 6 4 If, during the term of this Agreement, the General Manager is not able to continue to serve in such capacity or no longer qualifies to act as such in accordance with this Section, you shall promptly notify us and designate a replacement within sixty (60) days after the General Manager ceases to serve, such replacement being subject to the same qualifications listed above (including completing all training and obtaining all certifications required by us) You shall provide for interim management of the Restaurant until such replacement is so designated, such interim management to be conducted in accordance with the terms of this Agreement Any failure to materially comply with the requirements of this Section 6 3 shall be deemed a material event of default under Section 17 1 3(o) hereof

6 4 Training

You agree that it is necessary to the continued operation of the System and the Restaurant that your personnel receive such training as we may reasonably require, and accordingly agree as follows

6 4 1 Not later than thirty (30) days prior to the Opening Date, you and your General Manager (for a maximum of two (2) persons) shall attend and complete, to our reasonable satisfaction, our initial training program, including classroom training and training in an operating Restaurant at such location(s) as may be designated by us If you wish to send additional employees to our initial training program, whether before the Restaurant opens or while the Restaurant is operating, you shall pay to us our then-current training fee for each additional trainee

We shall determine, in our reasonable discretion, whether the General Manager has satisfactorily completed initial training If the initial training program is (a) not completed within the timeframe required by us, (b) not satisfactorily completed by the General Manager, or (c) if we in our reasonable business judgment, based upon the performance of the General Manager, determine that the training program cannot be satisfactorily completed by any such person, you shall designate a replacement to satisfactorily complete such training Any General Manager subsequently designated by you shall also receive and complete such initial training We reserve the right to charge a reasonable fee for any initial training provided by us to any initial General Manager or any other Restaurant personnel for any initial training provided to a replacement or successor General Manager You shall be responsible for any and all expenses incurred by you, your General Manager and other Restaurant personnel in connection with any initial training program, including, without limitation, costs of travel, lodging, meals and wages

6 4 2 The initial training program includes approximately two (2) weeks of training at our headquarters, at one of our operating Boardwalk Fries Burgers Shakes Restaurants or at another location we designate In addition to this initial training program, we will provide you with one (1) of our representatives to provide pre-opening and opening assistance for up to ten (10) days around the opening of your Restaurant We provide this assistance at no additional expense, but if you request that our representative provide additional days of assistance, you must pay our then-current per diem fee plus expenses If this Agreement is for your second (2^{nd}) or later Restaurant, we reserve the right to not provide opening assistance

6 4 3 Upon your reasonable request or as we shall deem appropriate, we shall, during the term hereof, subject to the availability of personnel, provide you with additional trained representatives who shall provide on-site training and assistance to your Restaurant personnel For this additional training and assistance, you shall pay the per diem fee then being charged to franchisees under the System for the services of such trained representatives, plus their costs of travel, lodging, and meals

6 4 4 We reserve the right to conduct additional or refresher training programs, seminars and other related activities regarding the operation of the Restaurant Such training programs and seminars may be offered to the General Manager or other Restaurant personnel generally, and we may designate that such training programs and seminars are mandatory for your General Manager and other Restaurant personnel We will present the training program at our cost, or we may use money from the Marketing Fund to do this, but you must pay for your trainees' expenses, including travel, lodging, meals and applicable wages

6 5 Franchisee Meetings

We reserve the right to hold meetings for all franchisees and other Boardwalk Fries Burgers Shakes Restaurant operators, which meetings shall not occur more frequently than annually We shall not be required to hold such meetings until we believe it is prudent to do so These meetings may be used to provide additional training, introduce new products or changes to the System, or for other reasons We reserve the right to designate that attendance at any franchisee meeting is mandatory for you and/or your General Manager We may use money from the Marketing Fund to pay for the cost of presenting the annual meeting You shall pay for all of the expenses incurred by your attendees at the meeting, including travel, lodging, meals and wages

6 6 Hiring Practices

You and the Controlling Principals understand that compliance by all franchisees, multi-unit operators and development agents operating under the System with our training, development and operational requirements is an essential and material element of the System and that we and franchisees, multi-unit operators and development agents operating under the System consequently expend substantial time, effort and expense in training management personnel for the development and operation of their respective Restaurants Accordingly, you and the Controlling Principals agree that if you or any Controlling Principal shall, during the term of this Agreement, designate as General Manager or employ in a managerial position any individual who is at the time or was within the preceding ninety (90) days employed in a managerial or supervisory position by us, including, but not limited to, individuals employed to work in Restaurants operated by us or by any other franchisee, then such former employer of such individual shall be entitled to be compensated for the reasonable costs and expenses, of whatever nature or kind, incurred by such employer in connection with the training of such employee The parties hereto agree that such expenditures may be uncertain and difficult to ascertain and therefore agree that the compensation specified herein reasonably represents such expenditures and is not a penalty An amount equal to the compensation of such employee for the six (6) month period (or such shorter time, if applicable) immediately prior to the termination of his employment with such former employer shall be paid by you to the former employer prior to such individual assuming the position of General Manager or other managerial position unless otherwise agreed with the former employer In seeking any individual to serve as General Manager or in such other managerial position, you and the Controlling Principals shall not discriminate in any manner whatsoever to whom the provisions of this Section apply, on the basis of the compensation required to be paid hereunder, if you or any Controlling Principal designate or employ such individual The parties hereto expressly acknowledge and agree that no current or former employee of us, you, or of any other entity operating under the System shall be a third party beneficiary of this Agreement or any provision hereof Notwithstanding the above, solely for purposes of bringing an action to collect payments due under this Section, such former employer shall be a third party beneficiary of this Section 6 6 We hereby expressly disclaim any representations and warranties regarding the performance of any employee or former employee of ours, or any franchisee, multi-unit operator or development agent under the System who is designated as your General Manager or employed by you or any of the Controlling Principals in any capacity, and we shall not be liable for any losses, of whatever nature or kind, incurred by you or any Controlling Principal in connection therewith

6 7 Compliance with Laws

You shall comply with all requirements of federal, state and local laws, rules, regulations, and orders, including but not limited to obtaining the appropriate licenses and permits required by your local or state government

You and your Principals agree to comply, and to assist us to the fullest extent possible in our efforts to comply, with Anti-Terrorism Laws (defined below) In connection with that compliance, you and your Principals certify, represent, and warrant that none of your property or interests is subject to being blocked under, and that you and your Principals otherwise are not in violation of, any of the Anti-Terrorism Laws "Anti-Terrorism Laws" mean Executive Order 13224 issued by the President of the United States, the USA PATRIOT Act, and all other present and future federal, state, and local laws, ordinances, regulations, policies, lists, and other requirements of any governmental authority addressing or in any way relating to terrorist acts and acts of war Any violation of the Anti-Terrorism Laws by you or your Principals, or any blocking of your or your Principals' assets under the Anti-Terrorism Laws, shall constitute good cause for immediate termination of this Agreement

6 8 Compliance with All Other Obligations

You shall comply with all other requirements and perform such other obligations as provided hereunder

ARTICLE 7
FRANCHISE OPERATIONS

7 1 Compliance with Standards

You understand the importance of maintaining uniformity among all of the Restaurants and the importance of complying with all of our standards and specifications relating to the operation of the Restaurant

7 2 Maintenance of Restaurant

You shall maintain the Restaurant in a high degree of sanitation, repair and condition, and in connection therewith shall make such additions, alterations, repairs and replacements thereto (but no others without our prior written consent) as may be required for that purpose, including, without limitation, such periodic repainting or replacement of obsolete signs, furnishings, equipment (including, but not limited to, point of sale or computer hardware and software systems), and decor as we may reasonably direct in order to maintain system-wide integrity and uniformity You shall also obtain, at your cost and expense, any new or additional equipment (including point of sale or computer hardware and software systems), fixtures, supplies and other products and materials which may be reasonably required by us for you to offer and sell new menu items from the Restaurant or to provide the Restaurant services by alternative means, such as through catering or delivery arrangements Except as may be expressly provided in the Manuals, no material alterations or improvements or changes of any kind in design, equipment, signs, interior or exterior decor items, fixtures or furnishings shall be made in or about the Restaurant or its premises without our prior written approval, which shall not be unreasonably withheld

7 3 Remodeling and Redecorating

To assure the continued success of the Restaurant, you shall, upon our request, remodel and/or redecorate the Restaurant premises, equipment (including point of sale or computer hardware and software systems), signs, interior and exterior decor items, fixtures, furnishings, supplies and other products and materials required for the operation of the Restaurant to our then-current system-wide standards and specifications We agree that we shall not request such remodeling and/or redecorating more frequently than every five (5) years during the term of this Agreement, except that if the Restaurant franchise is transferred pursuant to Article 14, we may request that the transferee remodel and/or redecorate the Restaurant premises as described herein

7 4 Approved Suppliers

You shall comply with all of our standards and specifications relating to the purchase of all food and beverage items, ingredients, supplies, materials, fixtures, furnishings, equipment (including electronic cash register and computer hardware and software systems) and other products used or offered for sale at the Restaurant Except as provided in Sections 7 6 and 7 7 with respect to certain materials bearing the Marks and proprietary products, you shall obtain such items from suppliers (including manufacturers, distributors and other sources) who continue to demonstrate the ability to meet our then-current standards and specifications for food and beverage items, ingredients, supplies, materials, fixtures, furnishings, equipment and other items used or offered for sale at Restaurants and who possess adequate quality controls and capacity to supply your needs promptly and reliably, and who have been approved in writing by us prior to any purchases by you from any such supplier, and who have not thereafter been disapproved by us

If you desire to purchase, lease or use any products or other items from an unapproved supplier, you shall submit to us a written request for such approval, or shall request the supplier itself to do so We reserve the right to require you to reimburse our costs related to evaluation and testing You shall not purchase or lease from any supplier until and unless such supplier has been approved in writing by us We shall have the right to require that our representatives be permitted to inspect the proposed supplier's facilities, and that samples from the supplier be delivered, either to us or to an independent laboratory designated by us, for testing We reserve the right, at our option, to re-inspect from time to time the facilities and products of any such approved supplier and to revoke our approval upon the supplier's failure to continue to meet any of our then-current criteria Nothing herein shall be construed to require us to approve any particular supplier

7 5 Operation of Restaurant in Compliance with Our Standards

To ensure that the highest degree of quality and service is maintained, you shall operate the Restaurant in strict conformity with such of our methods, standards and specifications set forth in the Manuals and as may from time to time otherwise be prescribed in writing In particular, you also agree

7 5 1 To sell or offer for sale all menu items, products and services required by us and in the method, manner and style of distribution prescribed by us, including, but not limited to, dine-in and take-out, only as expressly authorized by us in writing in the Manuals or otherwise in writing

7 5 2 To sell and offer for sale only the menu items, products and services that have been expressly approved for sale in writing by us, to refrain from deviating from our standards and specifications without our prior written consent, and to discontinue selling and offering for sale any menu items, products or services which we may, in our sole discretion, disapprove in writing at any time

7 5 3 To maintain in sufficient supply and to use and sell at all times only such food and beverage items, ingredients, products, materials, supplies and paper goods that conform to our standards and specifications, to prepare all menu items in accordance with our recipes and procedures for preparation contained in the Manuals or other written directives, including, but not limited to, the prescribed measurements of ingredients, and to refrain from deviating from our standards and

specifications by the use or offer of non-conforming items or differing amounts of any items, without our prior written consent

7 5 4 To permit us or our agents, during normal business hours, to remove a reasonable number of samples of food or non-food items from your inventory or from the Restaurant, without payment therefor, in amounts reasonably necessary for testing by us or an independent laboratory to determine whether such samples meet our then-current standards and specifications In addition to any other remedies we may have under this Agreement, we may require you to bear the cost of such testing if the supplier of the item has not previously been approved by us or if the sample fails to conform with our reasonable specifications

7 5 5 To purchase or lease and install, at your expense, all fixtures, furnishings, equipment (including point of sale and computer hardware and software systems), decor items, signs, delivery vehicles, and related items as we may reasonably direct from time to time in the Manuals or otherwise in writing, and to refrain from installing or permitting to be installed on or about the Restaurant premises, without our prior written consent, any fixtures, furnishings, equipment, delivery vehicles, decor items, signs, games, vending machines or other items not previously approved as meeting our standards and specifications If any of the property described above is leased by you from a third party, such lease shall be approved by us, in writing, prior to execution Our approval shall be conditioned upon such lease containing a provision which permits any interest of yours in the lease to be assigned to us upon the termination or expiration of this Agreement and which prohibits the lessor from imposing an assignment or related fee upon us in connection with such assignment

7 5 6 To grant us and our agents the right to enter upon the Restaurant premises during normal business hours, for the purpose of conducting inspections, to cooperate with our representatives in such inspections by rendering such assistance as they may reasonably request, and, upon notice from us or our agents and without limiting our other rights under this Agreement, to take such steps as may be necessary to correct immediately any deficiencies detected during any such inspection Should you, for any reason, fail to correct such deficiencies within a reasonable time as determined by us, we shall have the right and authority (without, however, any obligation to do so) to correct such deficiencies and charge you a reasonable fee for our expenses in so acting, payable by you immediately upon demand

7 5 7 To maintain a competent, conscientious, trained staff and to take such steps as are necessary to ensure that your employees preserve good customer relations and comply with such dress code as we may reasonably prescribe from time to time You are required to sign and have all of your employees sign and submit to us a copy of the Online Brand Presence Disclaimer (See attachment to the Franchise Agreement)

7 5 8 To install and maintain equipment and a telecommunications line in accordance with our specifications to permit us to access and retrieve by telecommunication any information stored on a point of sale system (or other computer hardware and software) you are required to utilize at the Restaurant premises as specified in the Manuals, thereby permitting us to inspect and monitor electronically information concerning your Restaurant, Gross Sales and such other information as may be contained or stored in such equipment and software You shall obtain and maintain Internet access or other means of electronic communication, as specified by us from time to time It shall be a material default under this Agreement if you fail to maintain such equipment, lines and communication methods in operation and accessible to us at all times throughout the term of this Agreement We shall have access as provided herein at such times and in such manner as we shall from time to time specify

7 5 9 To honor all credit, charge, courtesy or cash cards or other credit devices required or approved by us You must obtain our written approval prior to honoring any previously unapproved credit, charge, courtesy or cash cards or other credit devices

7 5 10 To sell or otherwise issue gift cards or certificates (together "Gift Cards") that have been prepared utilizing the standard form of Gift Card provided or designated by us, and only in the manner specified by us in the Manuals or otherwise in writing You shall fully honor all Gift Cards that are in the form provided or approved by us regardless of whether a Gift Card was issued by you or another Boardwalk Fries Burgers Shakes Restaurant You shall sell, issue, and redeem (without any offset against any Royalty Fees) Gift Cards in accordance with procedures and policies specified by us in the Manuals or otherwise in writing, including those relating to procedures by which you shall request reimbursement for Gift Cards issued by other Boardwalk Fries Burgers Shakes Restaurants and for making timely payment to us, other operators of Boardwalk Fries Burgers Shakes Restaurants, or a third-party service provider for Gift Cards issued from the Restaurant that are honored by us or other Boardwalk Fries Burgers Shakes Restaurant operators

7 6 Proprietary Products

You acknowledge and agree that we and our affiliates have developed, and may continue to develop, for use in the System certain products which are prepared from confidential proprietary recipes and which are trade secrets of us and our affiliates, and other proprietary products bearing the Marks Because of the importance of quality and uniformity of production and the significance of such products in the System, it is to the mutual benefit of the parties that we closely control the production and distribution of such products Accordingly, you agree that if such products become a part of the System, you shall use only our secret recipes and proprietary products and shall purchase all of your requirements for such products solely from us or from a source designated by us You further agree to purchase from us or our designated supplier for resale to your customers certain merchandise identifying the System as we shall require, such as logoed merchandise, memorabilia and promotional products, in amounts sufficient to satisfy your customer demand

7 7 Advertising and Promotional Materials

You shall require all advertising and promotional materials, signs, decorations, paper goods (including menus and all forms and stationery used in the Franchised Business), and other items which may be designated by us to bear the Marks in the form, color, location and manner prescribed by us, including, without limitation, notations about the ownership of the Marks

7 8 Complaints

You shall process and handle all consumer complaints connected with or relating to the Restaurant, and shall promptly notify us by telephone and in writing of all of the following complaints (i) food related illnesses, (ii) environmental, safety or health violations, (iii) claims exceeding Five Hundred Dollars ($500 00), and (iv) any other material claims against or losses suffered by you You shall maintain for our inspection any governmental or trade association inspection reports affecting the Restaurant or equipment located in the Restaurant during the term of this Agreement and for thirty (30) days after the expiration or earlier termination hereof

7 9 Power of Attorney for Telephone Listings, etc

Upon the execution of this Agreement or at anytime thereafter, you shall, at our option, execute such forms and documents as we deem necessary to appoint us as your true and lawful attorney-in-fact with full power and authority for the sole purpose of assigning to us only upon the termination or expiration of this Agreement, as required under Section 17 15 (i) all rights to the telephone numbers of the Restaurant and any related and other business listings, and (ii) Internet listings, domain names, Internet Accounts, advertising on the Internet or World Wide Web, websites, listings with search engines, e-mail addresses or any other similar listing or usages related to the Franchised Business You agree that you have no authority to and shall not establish any website or listing on the Internet or World Wide Web without our express written consent, which consent may be denied without reason

7 10 Power of Attorney for Taxes

Upon execution of this Agreement or at any time thereafter, you shall, at our option, execute such forms and documents as we deem necessary to appoint us as your true and lawful attorney-in-fact with full power and authority for the sole purpose of obtaining any and all returns and reports filed by you with any state or federal taxing authority relating to the Franchised Business

7 11 Unapproved Products and Services

In the event you sell any food, beverage, products, novelty items, clothing, souvenirs or perform any services that we have not prescribed, approved or authorized, you shall, immediately upon notice from us (i) cease and desist offering or providing the unauthorized or unapproved food, beverage, product, premium, novelty item, clothing, souvenir or from performing such services and (ii) pay to us, on demand, a prohibited product or service fine equal to Two Hundred Fifty Dollars ($250) per day for each day such unauthorized or unapproved food, beverage, product, premium, novelty item, clothing, souvenir or service is offered or provided by you after written notice from us The prohibited product or service fine shall be in addition to all other remedies available to us under this Agreement or at law

7 12 Customer Surveys

You shall participate in all customer surveys and satisfaction audits, which may require that you provide discounted or complimentary products, provided that such discounted or complimentary sales shall not be included in the Gross Sales of the Restaurant Additionally, you shall participate in any complaint resolution and other programs as we may reasonably establish for the System, which programs may include, without limitation, providing discounts or refunds to customers

7 13 Pricing

With respect to the offer and sale of all menu and beverage items, we may from time to time offer guidance with respect to the selling price for such goods, products and services While you may set your own selling prices, those prices should never be greater than or less than four percent (4%) of our suggested selling prices If you elect to sell any or all of your products or merchandise at any price recommended by us, you acknowledge that we have made no guarantee or warranty that offering such products or merchandise at the recommended price will enhance your sales or profits

ARTICLE 8
ADVERTISING AND RELATED FEES

Recognizing the value of advertising and the importance of the standardization of advertising programs to the furtherance of the goodwill and public image of the System, the parties agree as follows

8 1 Participation in Advertising

We may from time to time develop and create advertising and sales promotion programs designed to promote and enhance the collective success of all Restaurants operating under the System You shall participate in all such advertising and sales promotion programs in accordance with the terms and conditions established by us for each program In all aspects of these programs, including, without limitation, the type, quantity, timing, placement and choice of media, market areas and advertising agencies, the standards and specifications established by us shall be final and binding upon you

8 2 Local Advertising

In addition to the ongoing advertising contributions set forth herein and, subject to any allocation of your expenditures for local advertising to the Cooperative as described in Section 8 4 or Marketing Fund as described in Section 8 3, you shall spend, throughout the term of this Agreement, one percent (1%) of Gross Sales each month on advertising for the Restaurant in your Territory ("Local Advertising") You shall submit to us, within thirty (30) days of our request, advertising expenditure reports accurately reflecting your Local Advertising expenditures, including verification copies of all advertising and any other information that we require

8 3 Marketing Fund

We administer a marketing Fund for the purpose of advertising the System on a regional or national basis (the "Marketing Fund") You agree to contribute to the Marketing Fund as described in Section 4 3 above You agree that the Marketing Fund shall be maintained and administered by us or our designee as follows

8 3 1 We shall direct all advertising programs and shall have sole discretion to approve or disapprove the creative concepts, materials and media used in such programs and the placement and allocation thereof You agree and acknowledge that the Marketing Fund is intended to maximize general public recognition and acceptance of the Marks and enhance the collective success of all Restaurants operating under the System We shall, with respect to Restaurants operated by us, contribute to the Marketing Fund generally on the same basis as you In administering the Marketing Fund, we and our designees undertake no obligation to make expenditures for you which are equivalent or proportionate to your contribution or to ensure that any particular franchisee benefits directly or *pro rata* from the placement of advertising We shall be entitled to reimbursement from the Marketing Fund for our reasonable expenses in managing the Marketing Fund

8 3 2 You agree that the Marketing Fund may be used to satisfy any and all costs of maintaining, administering, directing and preparing advertising (including, without limitation, the cost of preparing and conducting television, radio, magazine and newspaper advertising campaigns, direct mail and outdoor billboard advertising, internet marketing, public relations activities, employing advertising agencies to assist therein, development and maintenance of our website, and costs of our personnel and other departmental costs for advertising that is internally administered or prepared by us) All sums paid by you to the Marketing Fund shall be maintained in a separate account by us and may be used to defray our expenses, if any, as we may incur in activities reasonably related to the administration or direction of the Marketing Fund and advertising programs for franchisees and the System The Marketing Fund and its earnings shall not otherwise inure to our benefit The Marketing Fund is operated solely as a conduit for collecting and expending the marketing fees as outlined above

8 3 3 A statement of the operations of the Marketing Fund shall be prepared annually by us and shall be made available to you upon request This statement of operations may be unaudited

8 3 4 Any monies remaining in the Marketing Fund at the end of any year will carry over to the next year Although the Marketing Fund is intended to be of perpetual duration, we may terminate the Marketing Fund The Marketing Fund shall not be terminated, however, until all monies in the Marketing Fund have been expended for advertising or promotional purposes or returned to contributing Franchised Businesses or those operated by us, without interest, on the basis of their respective contributions

8 3 5 If we elect to terminate the Marketing Fund, we may, in our sole discretion, reinstate the Marketing Fund at any time If we so choose to reinstate the Marketing Fund, said reinstated Fund shall be operated as described herein

8 4 Cooperative Funds

We may, in our discretion, create a regional advertising cooperative in any area, or we may approve the creation of such a marketing cooperative by franchisees in the System, and establish the rules and regulations therefor Immediately upon our request, you must become a member of the Cooperative for the area in which some or all of your Territory is located In no event may the Restaurant be required to be a member of more than one cooperative The Cooperative must be governed in the manner we prescribe The Cooperative may require each of its members to make contributions thereto You shall contribute such amounts at the times and in the manner as determined by the Cooperative members Any funds contributed to a regional advertising cooperative will be credited against your obligation to pay for Local Advertising as set forth in Section 8 2 above, provided, however, that if your contributions to a Cooperative are less than your Local Advertising requirement, you shall nevertheless spend the difference locally The following provisions apply to each cooperative

a the Cooperative must be organized and governed in a form and manner, and commence operation on a date, that we approve in advance in writing,

b the Cooperative must be organized for the exclusive purpose of administering advertising programs and developing, subject to our approval, standardized promotional materials for the members' use in Local Advertising within the Cooperative's area,

c the Cooperative may adopt its own rules and procedures, but such rules or procedures must be approved by us and must not restrict or expand your rights or obligations under this Agreement,

d except as otherwise provided in this Agreement, and subject to our approval, any lawful action of the Cooperative (including, without limitation, imposing assessments for Local Advertising) at a meeting attended by members possessing more than fifty percent (50%) of the total voting power in the Cooperative is binding upon you if approved by members possessing more than fifty percent (50%) of the total voting power possessed by members in attendance, with each Restaurant having one (1) vote, but no franchisee (or commonly controlled group of franchisees) may have more than twenty-five percent (25%) of the vote in the Cooperative regardless of the number of franchised businesses owned,

e without our prior written approval, the Cooperative may not use, nor furnish to its members, any advertising or promotional plans or materials, all such plans and materials must be submitted to us in accordance with the procedure set forth in Section 8 5,

f the Cooperative may require its members to periodically contribute to it in such amounts as it determines,

g no later than the fifteenth (15th) day of each month, each member/franchisee must submit its contribution under Section 8 4(f) for the preceding calendar month to the Cooperative, together with such other statements or reports as we or the Cooperative may require, with our prior written approval, and h if an impasse occurs because of a Cooperative members' inability or failure, within forty-five (45) days, to resolve any issue affecting the Cooperative's establishment or effective functioning, upon request of any Cooperative member, that issue must be submitted to us for consideration, and our resolution of such issue is final and binding on all Cooperative members

8 5 Conduct of Advertising, Our Approval

All advertising and promotion by you in any medium shall be conducted in a professional manner and shall conform to our standards and requirements as set forth in the Manuals or otherwise You shall obtain our approval of all advertising and promotional plans and materials prior to use if such plans and materials have not been prepared by us or previously approved by us during the twelve (12) months prior to their proposed use You shall submit such unapproved plans and materials to us, and we shall have fifteen (15) days to notify you of our approval or disapproval of such materials If we do not provide our specific approval of the proposed materials within this fifteen (15) days period, the proposed materials are deemed to be not approved Any plans and materials that you submit to us for our review will become our property and there will be no restriction on our use or dissemination of such materials

We reserve the right to require you to include certain language on all advertising to be used locally by you or to be used by a Cooperative, including, but not limited to, "Franchises Available" and reference to our telephone number and/or website

8 6 Websites

As used in this Agreement, the term "Website" means an interactive electronic document, series of symbols, or otherwise, that is contained in a network of computers linked by communications software The term Website includes, but is not limited to, Internet and World Wide Web home pages In connection with any Website, you agree to the following

8 6 1 We shall have the right, but not the obligation, to establish and maintain a Website, which may, without limitation, promote the Marks, Boardwalk Fries Burgers Shakes Restaurants and any or all of the products offered at Restaurants, the franchising of Boardwalk Fries Burgers Shakes Restaurants, and/or the System We shall have the sole right to control all aspects of the Website, including without limitation its design, content, functionality, links to the websites of third parties, legal notices, and policies and terms of usage, we shall also have the right to discontinue operation of the Website

8 6 2 We shall have the right, but not the obligation, to designate one or more web page(s) to describe you and/or the Franchised Business, with such web page(s) to be located within our Website You shall comply with our policies with respect to the creation, maintenance and content of any such web pages, and we shall have the right to refuse to post and/or discontinue posting any content and/or the operation of any web page

8 6 3 You shall not establish a separate Website related to the Proprietary Marks or the System without our prior written approval (which we shall not be obligated to provide) If approved to establish such a Website, you shall comply with our policies, standards and specifications with respect to the creation, maintenance and content of any such Website You specifically acknowledge and agree that any such Website owned or maintained by you or for your benefit shall be deemed "advertising" under this Agreement, and will be subject to (among other things) our approval under this Article VIII

8 6 4 We shall have the right to modify the provisions of this Section 8 6 relating to Websites as we shall solely determine is necessary or appropriate

8 6 5 You understand and agree that you may not promote your Restaurant or use any Proprietary Mark in any manner on social and/or networking Websites, including, but not limited to, Facebook, LinkedIn, MySpace and Twitter, without our prior written consent

8 7 Advisory Council

We reserve the right to establish an advisory council to work with us to improve various aspects of our System, including advertising, merchandising, food products, and other items If we choose to establish an advisory council, its members will include franchisee representatives and our representatives The franchisee representatives may be chosen by us or elected by other franchisees in the System If established, the advisory council will act in an advisory capacity only and will not have decision making authority We have the right to form, change, merge or dissolve any advisory council at any time

8 8 Grand Opening Advertising

You agree to expend not less than Seven Thousand Five Hundred Dollars ($7,500) and not more than Fifteen Thousand Dollars ($15,000 00) on a grand opening advertising campaign to promote the opening of your Restaurant This amount must be paid to us thirty (30) days before the Restaurant opens Your grand opening advertising campaign must be supervised by us with your input and the cost will be determined by the particulars of your local market We may require that your campaign include promotional give-aways At our request, you must give the money for your grand opening advertising campaign to us and we will conduct your grand opening advertising campaign for you

ARTICLE 9
MARKS

9 1 Use of Marks

We grant you the right to use the Marks during the term of this Agreement in accordance with the System and related standards and specifications If you use any Mark in a manner not authorized by us, you agree to pay us a fee of Two Hundred Fifty Dollars ($250) per day while the unauthorized use continues

9 2 Ownership of Marks, Limited License

You expressly understand and acknowledge that

9 2 1 We are the licensee of the owner of all right, title and interest in and to the Marks and the goodwill associated with and symbolized by them All references herein to our rights, title and interest in and to the Marks shall be deemed to includes the owner's rights, title and interest in and to such Marks

9 2 2 Neither you nor any Controlling Principal shall take any action that would prejudice or interfere with the validity of our rights with respect to the Marks Nothing in this Agreement shall give the you any right, title, or interest in or to any of the Marks or any service marks, trademarks, trade names, trade dress, logos, copyrights or proprietary materials, except the right to use the Marks and the System in accordance with the terms and conditions of this Agreement for the operation of the Restaurant and only at or from its accepted location or in approved advertising related to the Restaurant

9 2 3 You understand and agree that the limited license to use the Marks granted hereby applies only to such Marks as are designated by us, and which are not subsequently designated by us as being withdrawn from use, together with those which may hereafter be designated by us in writing You expressly understand and agree that you are bound not to represent in any manner that you have

acquired any ownership or equitable rights in any of the Marks by virtue of the limited license granted hereunder, or by virtue of your use of any of the Marks

9 2 4 You understand and agree that any and all goodwill arising from your use of the Marks and the System shall inure solely and exclusively to our benefit, and upon expiration or termination of this Agreement and the license herein granted, no monetary amount shall be assigned as attributable to any goodwill associated with your use of the Marks

9 2 5 You shall not contest the validity of or our interest in the Marks or assist others to contest the validity of or our interest in the Marks

9 2 6 You acknowledge that any unauthorized use of the Marks shall constitute an infringement of our rights in the Marks and a material event of default hereunder You agree that you shall provide us with all assignments, affidavits, documents, information and assistance we reasonably request to fully vest in us all such rights, title and interest in and to the Marks, including all such items as are reasonably requested by us to register, maintain and enforce such rights in the Marks

9 2 7 If it becomes advisable at any time, in our discretion, to modify or discontinue use of any Mark and/or to adopt or use one or more additional or substitute proprietary marks, then you shall be obligated to comply with any such instruction by us We will reimburse you for your reasonable expenses related to replacing the Restaurant's signage We shall not have any other obligation in such event to reimburse you for your documented expenses of compliance You waive any other claim arising from or relating to any Mark change, modification or substitution Except as described herein, we will not be liable to you for any expenses, losses or damages sustained by you as a result of any Mark addition, modification, substitution or discontinuation You covenant not to commence or join in any litigation or other proceeding against us for any of these expenses, losses or damages

9 3 Limitation on Use of Marks

With respect to your licensed use of the Marks pursuant to this Agreement, you further agree that

9 3 1 Unless otherwise authorized or required by us, you shall operate and advertise the Restaurant only under the name "Boardwalk Fries Burgers Shakes" without prefix or suffix You shall not use the Marks as part of your corporate or other legal name, and shall obtain our approval of such corporate or other legal name prior to filing it with the applicable state authority

9 3 2 During the term of this Agreement and any renewal hereof, you shall identify yourself as the independent owner of the Restaurant in conjunction with any use of the Marks, including, but not limited to, uses on invoices, order forms, receipts and contracts, as well as the display of a notice in such content and form and at such conspicuous locations on the premises of the Restaurant or any delivery vehicle as we may designate in writing

9 3 3 You shall not use the Marks to incur any obligation or indebtedness on our behalf,

9 3 4 You shall comply with our instructions in filing and maintaining the requisite trade name or fictitious name registrations, and shall execute any documents deemed necessary by us or our counsel to obtain protection of the Marks or to maintain their continued validity and enforceability

9 4 Notification of Infringement or Claim

You shall notify us immediately by telephone and thereafter in writing of any apparent infringement of or challenge to your use of any Mark, of any claim by any person of any rights in any Mark, and you and the Controlling Principals shall not communicate with any person other than us, our counsel and your counsel in connection with any such infringement, challenge or claim We shall have complete discretion to take such action as we deem appropriate in connection with the foregoing, and the right to control exclusively, any settlement, litigation or Patent and Trademark Office or other proceeding arising out of any such alleged infringement, challenge or claim or otherwise relating to any Mark You agree to execute any and all instruments and documents, render such assistance, and do such acts or things as may, in our opinion, reasonably be necessary or advisable to protect and maintain our interests in any litigation or other proceeding or to otherwise protect and maintain the interests of us or any other interested party in the Marks We will indemnify you and hold you harmless from and against any and all claims, liabilities, costs, damages and reasonable expenses for which you are held liable in any proceeding arising out of your use of any of the Marks (including settlement amounts), provided that the conduct of you and the Controlling Principals with respect to such proceeding and use of the Marks is in full compliance with the terms of this Agreement,

9 5 Retention of Rights by Us

The right and license of the Marks granted hereunder to you is non-exclusive and we thus have and retain the following rights, among others, subject only to the limitations of Article 1

9 5 1 To grant other licenses for use of the Marks, in addition to those licenses already granted to existing franchisees,

9 5 2 To develop and establish other systems using the Marks or other names or marks and to grant licenses thereto without providing any rights to you, and

9 5 3 To engage, directly or indirectly, through our employees, representatives, licensees, assigns, agents and others, at wholesale, retail or otherwise, in (a) the production, distribution, license and sale of products and services, and (b) the use in connection with such production, distribution and sale, of the Marks and any and all trademarks, trade names, service marks, logos, insignia, slogans, emblems, symbols, designs and other identifying characteristics as may be developed or used from time to time by us

ARTICLE 10
CONFIDENTIALITY AND NON-COMPETITION COVENANTS

10 1 Confidential Operations Manuals

10 1 1 To protect our reputation and goodwill and to maintain high standards of operation under the Marks, you shall conduct your business in accordance with the Manuals, other written directives which we may reasonably issue to you from time to time whether or not such directives are included in the Manuals, and any other manuals and materials created or approved for use in the operation of the Franchised Business

10 1 2 You and the Controlling Principals shall at all times treat the Manuals, any of our written directives, and any other manuals and materials, and the information contained therein as confidential and shall maintain such information as trade secret and confidential in accordance with this Article 10 You and the Controlling Principals shall divulge and make such materials available only to such of your employees as must have access to it in order to operate the Restaurant You and the

Controlling Principals shall not at any time copy, duplicate, record or otherwise reproduce these materials, in whole or in part, or otherwise make the same available to any person other than those authorized above

10 1 3 The Manuals, written directives, other manuals and materials and any other confidential communications provided or approved by us shall at all times remain our sole property, shall at all times be kept in a secure place on the Restaurant premises, and shall be returned to us immediately upon request or upon termination or expiration of this Agreement

10 1 4 The Manuals, any written directives, and any other manuals and materials issued by us and any modifications to such materials shall supplement and be deemed part of this Agreement

10 1 5 We may from time to time revise the contents of the Manuals and the contents of any other manuals and materials created or approved for use in the operation of the Franchised Business You shall remove and return to us all pages of the Manual that have been replaced or updated by us, if we provide the Manual to you in hard copy format You expressly agree to comply with each new or changed standard

10 1 6 You shall at all times ensure that the Manuals are kept current and up to date In the event of any dispute as to the contents of the Manuals, the terms of the master copy of the Manuals maintained by us at our headquarters shall control

10 2 Confidential Information

10 2 1 Neither you nor any Controlling Principal shall, during the term of this Agreement or thereafter, communicate, divulge or use for the benefit of any other person, persons, partnership, association or corporation and, following the expiration or termination of this Agreement, they shall not use for their own benefit any confidential information, knowledge or know-how concerning the methods of operation of the Franchised Business which may be communicated to them or of which they may be apprised in connection with the operation of the Restaurant under the terms of this Agreement You and the Controlling Principals shall divulge such confidential information only to such of your employees as must have access to it in order to operate the Restaurant Any and all information, knowledge, know-how, techniques and any materials used in or related to the System which we provide to you in connection with this Agreement shall be deemed confidential for purposes of this Agreement Neither you nor the Controlling Principals shall at any time, without our prior written consent, copy, duplicate, record or otherwise reproduce such materials or information, in whole or in part, nor otherwise make the same available to any unauthorized person The covenants in this Section shall survive the expiration, termination or transfer of this Agreement or any interest herein and shall be perpetually binding upon you and each of the Controlling Principals

10 2 2 You shall require and obtain the execution of covenants similar to those set forth in Section 10 2 1 from your General Manager and all other of your personnel who have received or will have access to confidential information Such covenants shall be substantially in the form set forth in Attachment D All of your Principals not required to sign this Agreement as a Controlling Principal also must execute such covenants

10 2 3 If you, the Controlling Principals, the General Manager or any of your employees develop any new concept, process, product, recipe, or improvement in the operation or promotion of the Restaurant, you are required to promptly notify us and provide us with all necessary related information, without compensation You and the Controlling Principals acknowledge that any such concept, process

product, recipe, or improvement will become our property, and we may use or disclose such information to other franchisees as we determine to be appropriate

10 3 Non-Competition

10 3 1 You and the Controlling Principals specifically acknowledge that, pursuant to this Agreement, you and the Controlling Principals will receive valuable training, trade secrets and confidential information, including, without limitation, information regarding the operational, sales, promotional and marketing methods and techniques of us and the System which are beyond the present skills and experience of you and the Controlling Principals and your managers and employees You and the Controlling Principals acknowledge that such specialized training, trade secrets and confidential information provide a competitive advantage and will be valuable to them in the development and operation of the Restaurant, and that gaining access to such specialized training, trade secrets and confidential information is, therefore, a primary reason why they are entering into this Agreement In consideration for such specialized training, trade secrets and confidential information (including, without limitation, information regarding the operational, sales, promotional and marketing methods and techniques of us and the System which are beyond the present skills and experience of you and the Controlling Principals and your managers and employees), you and the Controlling Principals covenant that with respect to you, during the term of this Agreement (or with respect to each of the Controlling Principals, during the term of this Agreement for so long as such individual or entity satisfies the definition of "Controlling Principals" as described in Section 19 18 of this Agreement), except as otherwise approved in writing by us, which approval may be withheld or denied in our sole and absolute discretion, neither you nor any of the Controlling Principals shall, either directly or indirectly, for themselves or through, on behalf of or in conjunction with any person(s), partnership or corporation

(a) Divert, or attempt to divert, any business or customer of the Franchised Business to any competitor, by direct or indirect inducement or otherwise, or do or perform, directly or indirectly, any other act injurious or prejudicial to the goodwill associated with the Marks and the System

(b) Own, maintain, operate, engage in, or have any financial or beneficial interest in (including any interest in corporations, partnerships, trusts, unincorporated associations or joint ventures), advise, assist or make loans to, any business located within the United States, its territories, states or commonwealths, or any other country, province, state or geographic area in which we have used, sought registration of or registered the same or similar Marks or operates or licenses others to operate a business under the same or similar Marks, which business is of a character and concept similar to the Restaurant, including a food service business which offers and sells the same or similar food products (a "Competitive Business")

10 3 2 With respect to you, and for a continuous uninterrupted period commencing upon the expiration, termination of, or transfer of all of your interest in, this Agreement (or, with respect to each of the Controlling Principals, commencing upon the earlier of (i) the expiration, termination of, or transfer of all of your interest in, this Agreement or (ii) the time such individual or entity ceases to satisfy the definition of "Controlling Principals" as described in Section 19 18 of this Agreement) and continuing for two (2) years thereafter, except as otherwise approved in our sole and absolute discretion, neither you, nor any of the Controlling Principals shall, directly or indirectly, for themselves, or through, on behalf of or in conjunction with any person, persons, partnership, or corporation

(a) Divert, or attempt to divert, any business or customer of the Franchised Business hereunder to any competitor, by direct or indirect inducement or otherwise, or do or perform, directly or indirectly, any other act injurious or prejudicial to the goodwill associated with the Marks and the System

(b) Employ, or seek to employ, any person who is at that time or was within the preceding ninety (90) days employed by us, or by any other franchisee or multi-unit operator of ours, or otherwise directly or indirectly induce such person to leave that person's employment, except as may be permitted under any existing multi-unit operator agreement or franchise agreement between us and you

(c) Own, maintain, operate, engage in, or have any financial or beneficial interest in (including any interest in corporations, partnerships, trusts, unincorporated associations or joint ventures), advise, assist or make loans to any Competitive Business, which business is, or is intended to be, located within a twenty-five (25) mile radius of the location of any Restaurant in the System

10 3 3 The parties acknowledge and agree that each of the covenants contained herein are reasonable limitations as to time, geographical area, and scope of activity to be restrained and do not impose a greater restraint than is necessary to protect our goodwill or other business interests The parties agree that each of the covenants herein shall be construed as independent of any other covenant or provision of this Agreement If all or any portion of a covenant in this Section is held unreasonable or unenforceable by a court or agency having valid jurisdiction in an unappealed final decision to which we are a party, you and the Controlling Principals expressly agree to be bound by any lesser covenant subsumed within the terms of such covenant that imposes the maximum duty permitted by law, as if the resulting covenant were separately stated in and made a part of this Section

(a) You and the Controlling Principals understand and acknowledge that we shall have the right, in our sole and absolute discretion, to reduce the scope of any covenant set forth in this Section 10 3, or any portion thereof, without their consent, effective immediately upon notice to you, and you and the Controlling Principals agree that they shall comply forthwith with any covenant as so modified, which shall be fully enforceable notwithstanding the provisions of Section 19 2 hereof

(b) You and the Controlling Principals expressly agree that the existence of any claims they may have against us, whether or not arising from this Agreement, shall not constitute a defense to our enforcement of the covenants in this Section

(c) Sections 10 3 1(b) and 10 3 2(c) shall not apply to ownership of less than a five percent (5%) beneficial interest in the outstanding equity securities of any publicly held corporation

10 3 4 You shall require and obtain execution of covenants similar to those set forth in this Section 10 3 (including covenants applicable upon the termination of a person's employment with you) from your General Manager and all other of your personnel who have received or will have access to training from us Such covenants shall be substantially in the form set forth in Attachment D All of your Principals not required to sign this Agreement as a Controlling Principal also must execute such covenants Notwithstanding the foregoing, we reserve the right, in our sole discretion, to decrease the period of time or geographic scope of the non-competition covenant set forth in Attachment D or eliminate such non-competition covenant altogether for any party that is required to execute such agreement under this Section 10 3 4

10 4 Failure to Comply

You and the Controlling Principals acknowledge that any failure to comply with the requirements of this Section shall constitute a material event of default under Article 17 hereof You and the Controlling Principals acknowledge that a violation of the terms of this Section would result in irreparable injury to us for which no adequate remedy at law may be available, and you and the Controlling Principals accordingly consent to the issuance of an injunction prohibiting any conduct by you or the Controlling Principals in violation of the terms of this Section You and the Controlling Principals agree to pay all court costs and reasonable attorneys' fees incurred by us in connection with the enforcement of this Section, including payment of all costs and expenses for obtaining specific performance of, or an injunction against violation of, the requirements of such Section

ARTICLE 11
BOOKS AND RECORDS

11 1 Books and Records

You shall maintain during the term of this Agreement, and shall preserve for at least three (3) years from the dates of their preparation, full, complete and accurate books, records and accounts, including, but not limited to, sales slips, coupons, purchase orders, payroll records, check stubs, bank statements, sales tax records and returns, cash receipts and disbursements, journals and ledgers, records of EFT transactions, and backup or archived records of information maintained on any computer system in accordance with generally accepted accounting principles and in the form and manner prescribed by us from time to time in the Manuals or otherwise in writing

11 2 Reports

In addition to the remittance reports required by Article 4 hereof, you shall comply with the following reporting obligations

11 2 1 You shall, at your expense, submit to us, in the form prescribed by us, a profit and loss statement for each month (which may be unaudited) for you within fifteen (15) days after the end of each month during the term hereof Each such statement shall be signed by your treasurer or chief financial officer or comparable officer attesting that it is true, complete and correct,

11 2 2 You shall, at your expense, provide to us a complete annual financial statement (which shall be reviewed) for you prepared by an independent certified public accountant, within ninety (90) days after the end of each fiscal year during the term hereof, showing the results of operations of you during such fiscal year, we reserve the right to require such financial statements to be audited by an independent certified public accountant satisfactory to us at your cost and expense if an inspection discloses an understatement of payments due to us of two percent (2%) or more in any report, pursuant to Section 11 3, and

11 2 3 You shall also submit to us, for review or auditing, such other forms, reports, records, information and data as we may reasonably designate, and which pertain to the Franchised Business, in the form and at the times and places reasonably required by us, upon request and as specified from time to time in writing

11 3 Inspections, Audits

We or our designees shall have the right, during normal business hours, to review, audit, examine and copy any or all of your books and records as we may require at the Restaurant You shall make such books and records available to us or our designees immediately upon request If any required royalty or other payments due to us are delinquent, or if an inspection should reveal that such payments have been understated in any report to us, then you shall immediately pay to us the amount overdue or understated upon demand with interest determined in accordance with the provisions of Section 4 5 If an inspection discloses an understatement in any report of two percent (2%) or more, you shall, in addition, reimburse us for all costs and expenses connected with the inspection (including, without limitation, reasonable accounting and attorneys' fees) These remedies shall be in addition to any other remedies we may have at law or in equity

11 4 Correction of Errors

You understand and agree that our receipt or acceptance of any of the statements furnished or royalties paid to us (or the cashing of any royalty checks or processing of any EFTs) shall not preclude us from questioning the correctness thereof at any time and, in the event that any inconsistencies or mistakes are discovered in such statements or payments, they shall immediately be rectified by you and the appropriate payment shall be made by you

11 5 Authorization of Us

You hereby authorize (and agrees to execute any other documents deemed necessary to effect such authorization) all banks, financial institutions, businesses, suppliers, manufacturers, contractors, vendors and other persons or entities with which you do business to disclose to us any requested financial information in their possession relating to you or the Restaurant You authorize us to disclose data from your reports, if we determine, in our sole and absolute discretion, that such disclosure is necessary or advisable, which disclosure may include disclosure to prospective or existing franchisees or other third parties

11 6 We are Attorney-in-Fact

Notwithstanding any forms and documents which may have been executed by you under Section 7 10, you hereby appoint us as your true and lawful attorney-in-fact with full power and authority, for the sole purpose of obtaining any and all returns and reports filed by you with any state and/or federal taxing authority pertaining to the Franchised Business This power of attorney shall survive the expiration or termination of this Agreement

ARTICLE 12
INSURANCE

12 1 You shall procure, upon execution of this Agreement or upon execution of a lease that states you will build and operate our Boardwalk Fresh Burgers and Fries, Inc franchise, t/a Boardwalk Fries Burgers Shakes, on the premises, and shall maintain in full force and effect at all times during the term of this Agreement (and for such period thereafter as is necessary to provide the coverages required hereunder for events having occurred during the term of this Agreement) at your expense, an insurance policy or policies protecting you and us, our successors and assigns, our officers, directors, shareholders, partners, agents, representatives, independent contractors and employees of each of them against any demand or claim with respect to personal injury, death or property damage, or any loss, liability or expense whatsoever arising or occurring upon or in connection with the Restaurant

12 2 Such policy or policies shall be written by a responsible, duly licensed carrier or carriers reasonably acceptable to us and shall include, at a minimum (except as additional coverages and higher policy limits may reasonably be specified by us from time to time), in accordance with standards and specifications set forth in writing, the following (1) comprehensive general liability, including broad form contractual liability, employment practices coverage, broad form property damage, personal injury, facilities, completed operations, products liability, and fire legal liability in the amount of Two Million Dollars ($2,000,000), (2) all risks coverage for full repair and replacement value of all of the equipment, fixtures and supplies used in your Restaurant with an agreed amount endorsement equal to one hundred percent (100%) of the property's value, (3) employer's liability, workers' compensation, and any other

insurance that may be required by statute or rule of the state or locality in which the Restaurant is located and operated, and (4) any other insurance required by law, by your lease or sublease for the premises of your Restaurant or as we may require in the future Such policies shall include a waiver of subrogation in favor of us, our affiliates, and our respective officers, directors, shareholders, partners, agents, representatives, independent contractors, servants and employees

12 3 In connection with any construction, renovation, refurbishment or remodeling of the Restaurant, you shall maintain Builder's Risks/installation insurance in forms and amounts, and written by a responsible, duly licensed carrier or carriers, reasonably satisfactory to us

12 4 Your obligation to obtain and maintain the foregoing policy or policies in the amounts specified shall not be limited in any way by reason of any insurance which may be maintained by us, nor shall your performance of that obligation relieve you of liability under the indemnity provisions set forth in Article 15 of this Agreement

12 5 All general liability and property damage policies shall contain a provision that we, our affiliates and the officers, directors, shareholders, partners, agents, representatives, independent contractors, servants and employees of each of them, although named as insureds, shall nevertheless be entitled to recover under such policies on any loss occasioned to us or our servants, agents or employees by reason of the negligence of you or your servants, agents or employees

12 6 Not later than thirty (30) days before the Restaurant initially opens for business, and thereafter thirty (30) days prior to the expiration of any such policy, you shall deliver to us Certificates of Insurance evidencing the existence and continuation of proper coverage with limits not less than those required hereunder In addition, if requested by us, you shall deliver to us a copy of the insurance policy or policies required hereunder All insurance policies required hereunder, with the exception of workers' compensation, shall name us, our affiliates and the officers, directors, shareholders, partners, agents, representatives, independent contractors, servants and employees of each of them, as additional named insureds, and shall expressly provide that any interest of same therein shall not be affected by any breach by you of any policy provisions Further, all insurance policies required hereunder shall expressly provide that no less than thirty (30) days' prior written notice shall be given to us in the event of a material alteration to or cancellation of the policies

12 7 Should you, for any reason, fail to procure or maintain the insurance required by this Agreement, as such requirements may be revised from time to time by us in writing, we shall have the right and authority (without, however, any obligation to do so) immediately to procure such insurance and to charge same to you, which charges shall be payable by you immediately upon notice The foregoing remedies shall be in addition to any other remedies we may have at law or in equity

12 8 Upon written request by us, you shall procure from your insurance carrier or carriers a report of claims made and reserves set against the your insurance policies

12 9 We reserve the right to modify the types of insurance coverages and amounts of coverage that you are required to maintain for the Restaurant, and you agree to comply with any such changes, at your expense

ARTICLE 13
DEBTS AND TAXES

13 1 Taxes

You shall promptly pay when due all Taxes (as defined below), levied or assessed, and all accounts and other indebtedness of every kind incurred by you in the conduct of the Franchised Business under this Agreement Without limiting the provisions of Article 15, you shall be solely liable for the payment of all Taxes and shall indemnify us for the full amount of all such Taxes and for any liability (including penalties, interest and expenses) arising from or concerning the payment of Taxes, whether such Taxes were correctly or legally asserted or not You shall submit a copy of all tax filings sent to federal, state and local tax authorities to us within ten (10) business days after such filing has been made with the appropriate taxing authority

The term "Taxes" means any present or future taxes, levies, imposts, duties or other charges of whatever nature, including any interest or penalties thereon, imposed by any government or political subdivision of such government on or relating to the operation of the Franchised Business, the payment of monies, or the exercise of rights granted pursuant to this Agreement

13 2 Payments to Us

Each payment to be made to us hereunder shall be made free and clear and without deduction for any Taxes

13 3 Tax Disputes

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 the procedures of the taxing authority or applicable law However, in no event shall 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 premises of the Franchised Business or any improvements thereon

13 4 Compliance with Laws

You shall comply with all federal, state and local laws, rules and regulations and shall timely obtain any and all permits, certificates or licenses necessary for the full and proper conduct of the Franchised Business, including, without limitation, licenses to do business, fictitious name registrations, sales tax permits, fire clearances, health permits, certificates of occupancy and any permits, certificates or licenses required by any environmental law, rule or regulation

13 5 Notification of Action or Proceeding

You shall notify and deliver to us, in writing within five (5) days of the commencement of any action, suit or proceeding and of the issuance of any order, writ, injunction, award or decree of any court, agency or other governmental instrumentality, which may adversely affect the operation or financial condition of the Franchised Business

ARTICLE 14
TRANSFER OF INTEREST

14 1 Transfer by Us

We shall have the right, without the need for your consent, to assign, transfer or sell our rights under this Agreement to any person, partnership, corporation or other legal entity, provided that the transferee agrees in writing to assume all obligations undertaken by us herein and you receive a statement from both us and our transferee to that effect Upon such assignment and assumption, we shall be under no further obligation hereunder, except for accrued liabilities, if any You further agree and affirm that we may go public, may engage in a private placement of some or all of our securities, may merge, acquire other corporations, or be acquired by another corporation, and/or may undertake a refinancing, recapitalization, leveraged buyout or other economic, legal or financial restructuring With regard to any of the above sales, assignments and dispositions, you expressly and specifically waive any claims, demands or damages arising from or related to the loss of our name, Marks (or any variation thereof) and System and/or the loss of association with or identification of Boardwalk Fresh Burgers and Fries, Inc as Franchisor under this Agreement You specifically waive any and all other claims, demands or damages arising from or related to the foregoing merger, acquisition and other business combination activities including, without limitation, any claim of divided loyalty, breach of fiduciary duty, fraud, breach of contract or breach of the implied covenant of good faith and fair dealing

You agree that we have the right, now or in the future, to purchase, merge, acquire or affiliate with an existing competitive or non-competitive franchise network, chain or any other business regardless of the location of that chain's or business' facilities, and to operate, franchise or license those businesses and/or facilities as Restaurants operating under the Marks or any other marks following our purchase, merger, acquisition or affiliation, regardless of the location of these facilities (which you acknowledge may be within your Territory, proximate thereto, or proximate to any of your locations) However, we represent that we will not convert any such acquired restaurant premises that are operating within your Territory to a Restaurant

If we assign our rights in this Agreement, nothing herein shall be deemed to require us to remain in the restaurant business or to offer or sell any products or services to you

14 2 Transfer by You

14 2 1 You understand and acknowledge that the rights and duties set forth in this Agreement are personal to you, and that we have granted rights under this Agreement in reliance on the business skill, financial capacity and personal character of you and the Controlling Principals Accordingly, neither you nor any Controlling Principal, nor any successor or assignee of you or any Controlling Principal, shall sell, assign (including but not limited to by operation of law, such as an assignment under bankruptcy or insolvency laws, in connection with a merger, divorce or otherwise), transfer, convey, give away, pledge, mortgage or otherwise encumber any direct or indirect interest in this Agreement, in the Restaurant and/or any of the Restaurant's material assets (other than in connection with replacing, upgrading or otherwise dealing with such assets as required or permitted by this Agreement), in you or in any Controlling Principal that is an entity, in each case without our prior written consent Any purported assignment or transfer, by operation of law or otherwise, made in violation of this Agreement shall be null and void and shall constitute a material event of default under this Agreement

14 2 2 If you wish to transfer all or part of your interest in the Restaurant, any of the Restaurant's material assets (except as provided in Section 14 2 1 above) or this Agreement, or if you or a Controlling Principal wishes to transfer or permit a transfer of any ownership interest in you or in a Controlling Principal that is an entity, then in each such case (any or all of which are referred to in this Article 14 as a "Restricted Transfer"), transferor and the proposed transferee shall apply to us for our consent We shall not unreasonably withhold our consent to a Restricted Transfer We may, in our sole discretion, require any or all of the following as conditions of our approval

(a) All of the accrued monetary obligations of you or any of your affiliates and all other outstanding obligations to us arising under this Agreement or any other agreement shall have been satisfied in a timely manner and you shall have satisfied all trade accounts and other debts, of whatever nature or kind, in a timely manner,

(b) You and your affiliates shall not be in default of any provision of this Agreement, any amendment hereof or successor hereto, or any other agreement between you or any of your affiliates and us or any of our affiliates at the time of transaction

(c) The transferor and its principals (if applicable) shall have executed a general release, in a form reasonably satisfactory to us, of any and all claims against us, our officers, directors, shareholders, partners, agents, representatives, independent contractors, servants and employees of each of them, in their corporate and individual capacities, including, without limitation, claims arising under this Agreement and federal, state and local laws, rules and regulations,

(d) The transferee shall demonstrate to our reasonable satisfaction that transferee meets the criteria considered by us when reviewing a prospective franchisee's application for a franchise, including, but not limited to, our educational, managerial and business standards, transferee's good moral character, business reputation and credit rating, transferee's aptitude and ability to conduct the business franchised herein (as may be evidenced by prior related business experience or otherwise), transferee's financial resources and capital for operation of the business, and the geographic proximity and number of other Restaurants owned or operated by transferee,

(e) The transferee shall enter into a written agreement, in a form reasonably satisfactory to us, assuming full, unconditional, joint and several liability for, and agreeing to perform from the date of the transfer, all obligations, covenants and agreements contained in this Agreement, and, if transferee is a corporation or a partnership, transferee's shareholders, partners or other investors, as applicable, shall execute such agreement as transferee's principals and guarantee the performance of all such obligations, covenants and agreements,

(f) The transferee shall execute, for a term ending on the expiration date of this Agreement and with such renewal terms as may be provided by this Agreement, the standard form franchise agreement then being offered to new System franchisees and other ancillary agreements as we may require for the Restaurant, which agreements shall supersede this Agreement and its ancillary documents in all respects and the terms of which agreements may differ from the terms of this Agreement, including, without limitation, the then-current System-wide percentage royalty fee, marketing fee or advertising expenditure requirement, provided, however, that the transferee shall not be required to pay any initial franchise fee,

(g) The transferee, at its expense, shall renovate, modernize and otherwise upgrade the Restaurant and, if applicable, any delivery vehicles to conform to the then-current standards and specifications of the System, and shall complete the upgrading and other requirements which conform to the System-wide standards within the time period reasonably specified by us,

(h) The transferor shall remain liable for all of the obligations to us in connection with the Restaurant incurred prior to the effective date of the transfer and shall execute any and all instruments reasonably requested by us to evidence such liability,

(i) At the transferee's expense, the transferee, the transferee's general manager and/or any other applicable Restaurant personnel shall complete any training programs then in effect for franchisees of Restaurants upon such terms and conditions as we may reasonably require,

(j) You shall pay to us a transfer fee equal to Twenty-Five Thousand Dollars ($25,000) to reimburse us for reviewing the application to transfer, including, without limitation, legal and accounting fees, and for providing training to the transferee,

(k) If the transferee is a corporation, limited liability company or a partnership, the transferee shall make and will be bound by any or all of the representations, warranties and covenants set forth at Article 6 as we request Transferee shall provide to us evidence satisfactory to us that the terms of such Section have been satisfied and are true and correct on the date of transfer

14 2 3 You shall not grant a security interest in the Restaurant or in any of your assets without our prior written consent, which shall not be unreasonably withheld In connection therewith, the secured party will be required by us to agree that in the event of any default by you under any documents related to the security interest, we shall have the right and option to be substituted as obligor to the secured party and to cure any default of yours

14 2 4 You acknowledge and agree that each condition which must be met by the transferee is reasonable and necessary to assure such transferee's full performance of the obligations hereunder

14 3 Transfer to a Corporation or Limited Liability Company

In the event the proposed transfer is to a corporation or limited liability company formed solely for the convenience of ownership, our consent may be conditioned upon any of the requirements set forth at Section 14 2 2, except that the requirements set forth at Sections 14 2 2(c), 14 2 2(d), 14 2 2(f), 14 2 2(g), 14 2 2(i), 14 2 2(j) and 14 2 2(k) shall not apply With respect to a transfer to a corporation formed for the convenience of ownership, you shall be the owner of all of the voting stock or interest of the corporation and if you are more than one (1) individual, each individual shall have the same proportionate ownership interest in the corporation as he had in you prior to the transfer A transfer under this Section 14 3 may occur one (1) time only

14 4 Our Right to Purchase Business

14 4 1 If you wish to transfer all or part of your interest in the Restaurant or this Agreement or if you or a Controlling Principal wish to transfer any ownership interest in you, pursuant to any bona fide offer received from a third party to purchase such interest, then such proposed seller shall promptly notify us in writing of each such offer, and shall provide such information and documentation relating to the offer as we may require We shall have the right and option, exercisable within thirty (30) days after receipt of such written notification and copies of all documentation required by us describing such offer, to send written notice to the seller that we intend to purchase the seller's interest on the same terms and conditions offered by the third party In the event that we elect to purchase the seller's interest, closing on such purchase must occur within the latest of (i) sixty (60) days from the date of notice to the seller of the election to purchase by us, (ii) sixty (60) days from the date we receive or obtain all necessary documentation, permits and approvals, or (iii) such other date as the parties agree upon in writing Any material change in the terms of any offer prior to closing shall constitute a new offer subject to the same right of first refusal by us as in the case of an initial offer Our failure or refusal to exercise the option afforded by this Section 14 4 shall not constitute a waiver of any other provision of this Agreement, including all of the requirements of Article 14, with respect to a proposed transfer

(a) In the case of a Restricted Transfer involving a bona fide purchase offer, then such proposed seller shall promptly notify us in writing of each such offer, and shall provide such information and documentation relating to the offer as we may require We shall have the right and option, exercisable within thirty (30) days after receipt of such written notification and copies of all documentation required by us describing such offer, to send written notice to the seller that we intend to purchase the interest proposed to be transferred in the Restricted Transfer on the same terms and conditions offered by the proposed purchaser (the "Offer Terms") In the event that we elect to purchase the seller's interest, closing on such purchase must occur within the latest of (i) sixty (60) days from the date of notice to the seller of the election to purchase by us, (ii) sixty (60) days from the date we receive or obtain all necessary documentation, permits and approvals, or (iii) such other date as the parties agree upon in writing Any material change in the terms of any offer prior to closing shall constitute a new offer subject to the same right of first refusal by us as in the case of an initial offer Our failure or refusal to exercise the option afforded by this Section 14 4 shall not constitute a waiver of any other provision of this Agreement, including all of the requirements of Article 14 with respect to a proposed transfer

(b) Notwithstanding the provisions of Section 14 4 1(a) above, where the Restricted Transfer (alone or together with any other Restricted Transfer or event effected within the prior twenty-four (24) month period) results in a "Change of Control", we may elect, in our sole discretion, to treat the notice given pursuant to such Section 14 4 1(a) as an offer to assign to us all of your rights under this Agreement and to the Restaurant (including lease and contract rights and other assets of you and your affiliates used in connection with the Restaurant, excluding the assets of your benefit plans) (collectively, the "Restaurant Interests") As used in this Section 14 4 1(b), Change of Control means any circumstance resulting in one or more of your Controlling Principals ceasing to be a Principal and/or the addition of any new Principal In such case, we shall notify you of the special election provided for in this Section 14 4 1(b) at the time we exercise our option as provided in Section 14 4 1(a) The terms of such purchase shall be the same as the Offer Terms (subject to the other provisions of this Section 14 4), but the price shall be the lesser of (1) the Implied Market Price or (2) the fair market value of the Restaurant Interests, determined in a manner consistent with Section 18 11 1 As used herein, "Implied Market Price" shall mean an amount equal to the total price to be paid by the transferee under the Offer Terms, divided by the percentage (expressed as a decimal) of ownership of you proposed to be acquired (directly or indirectly) by the transferee, less the fair market value (determined as provided in Section 18 11 1) of any assets included in the Restricted Transfer that are not related to the Restaurant If you have more than one (1) Restaurant, then the Implied Market Price shall, unless otherwise agreed by us and you, be allocated among all Restaurants equally

(c) We may assign our rights under this Section 14 4 to any other person or entity, subject to Section 14 1 above

(d) It shall be a material obligation of yours under this Agreement to cause any transferor and transferee described in this Article 14 to perform all of the obligations imposed on such persons under this Article 14

14 4 2 In the event an offer from a third party provides for payment of consideration other than cash or involves certain intangible benefits, we may elect to purchase the interest proposed to be sold for the reasonable cash equivalent If the parties cannot agree within a reasonable time on the reasonable cash equivalent of the non-cash part of the Offer Terms, then such amount shall be determined by two (2) appraisers, with each party selecting one (1) appraiser, and the average of their determinations shall be binding In the event of such appraisal, each party shall bear its own legal and other costs and each shall pay one-half (1/2) of the appraisal fees In the event that we exercise our right of first refusal herein provided, we shall have the right to set off against any payment therefor (i) all fees for any such independent appraiser due from you hereunder and (ii) all amounts due from you to us

14 4 3 Failure to comply with the provisions of this Section prior to the transfer of any interest in you, the Restaurant or this Agreement shall constitute a material event of default under this Agreement

14 5 Death or Disability

14 5 1 Upon your death (if you are a natural person) or upon the death of any Controlling Principal who is a natural person and who has an interest in this Agreement, the Restaurant or you (the "Deceased"), the executor, administrator or other personal representative of the Deceased shall transfer such interest to a third party approved by us within twelve (12) months after the death If no personal representative is designated or appointed or no probate proceedings are instituted with respect to the estate of the Deceased, then the distributee of such interest must be approved by us If the distributee is not approved by us, then the distributee shall transfer such interest to a third party approved by us within twelve (12) months after the death of the Deceased

14 5 2 Upon your permanent disability (if you are a natural person) or upon the permanent disability of any Controlling Principal who is a natural person and who has an interest in this Agreement, the Restaurant or you, we may, in our reasonable discretion, require such interest to be transferred to a third party in accordance with the conditions described in this Article 14 within six (6) months after notice to you "Permanent disability" shall mean any physical, emotional or mental injury, illness or incapacity which would prevent a person from performing the obligations set forth in this Agreement or in the guaranty made part of this Agreement for at least ninety (90) consecutive days and from which condition recovery within ninety (90) days from the date of determination of disability is unlikely Permanent disability shall be determined by a licensed practicing physician selected by us, upon examination of the person, or if the person refuses to submit to an examination, then such person automatically shall be deemed permanently disabled as of the date of such refusal for the purpose of this Section 14 5 The costs of any examination required by this Section shall be paid by us

14 5 3 Upon the death or claim of permanent disability of you or any Controlling Principal, you or a representative of yours must notify us of such death or claim of permanent disability within ten (10) days of its occurrence Any transfer upon death or permanent disability shall be subject to the same terms and conditions as described in this Section for any *inter vivos* transfer If an interest is not transferred upon death or permanent disability as required in this Section, then such failure shall constitute a material event of default under this Agreement

14 5 4 In order to prevent any interruption of the Restaurant operations which would cause harm to the Restaurant, thereby depreciating the value thereof, you authorize us, who may, at our option, in the event that you are absent for any reason or are incapacitated by reason of illness and are unable, in our sole and reasonable judgment, to operate the Restaurant to our required standards, operate the Restaurant for so long as we deem necessary and practical, and without waiver of any other rights or remedies we may have under this Agreement All monies from the operation of the Restaurant during such period of operation by us shall be kept in a separate account, and the expenses of the Restaurant, including reasonable compensation and expenses for our representative, shall be charged to said account If, as herein provided, we temporarily operate the Restaurant franchised herein for you, you agree to indemnify and hold harmless us and any representative of ours who may act hereunder, from any and all acts which we may perform, as regards the interests of you or third parties

14 6 No Waiver of Claims

Our consent to a transfer of any interest described herein shall not constitute a waiver of any claims which we may have against the transferring party, nor shall it be deemed a waiver of our right to demand material and full compliance with any of the terms of this Agreement by the transferee

14 7 Public Offering

Securities or partnership interests in you may be offered to the public (a "public offering") only with our prior written consent, which consent may be withheld in our sole and absolute discretion As a condition of our approval to such offering, we may, in our sole and absolute discretion, require that immediately after such offering that you and the Controlling Principals retain a Controlling Interest in you For the purpose of this Agreement, "Controlling Interest" shall mean (a) if you are a corporation, that the Controlling Principals, either individually or cumulatively, (i) directly or indirectly own at least fifty-one percent (51%) of the shares of each class of the issued and outstanding capital stock and (ii) be entitled, under its governing documents and under any agreements among the shareholders, to cast a sufficient number of votes to require such corporation to take or omit to take any action which such corporation is required to take or omit to take under this Agreement, or (b) if you are a partnership, that the Controlling Principals (i) own at least a fifty-one percent (51%) interest in the operating profits and operating losses of the partnership as well as at least a fifty-one percent (51%) ownership interest in the partnership (and at least a fifty-one percent (51%) interest in the shares of each class of capital stock of any corporate general partner) and (ii) be entitled under its partnership agreement or applicable law to act on behalf of the partnership without the approval or consent of any other partner or be able to cast a sufficient number of votes to require the partnership to take or omit to take any action which the partnership is required to take or omit to take under this Agreement

14 8 Review of Public Offering Materials by Us

All materials required for a public offering by federal or state law shall be submitted to us for a limited review as discussed below prior to being filed with any governmental agency, and any materials (including any private placement memoranda) to be used in any exempt offering or private placement shall be submitted to us for such review prior to their use No Franchisee offering (public or private) shall imply (by use of the Marks or otherwise) that we are participating in an underwriting, issuance or offering of securities of you or us, and our review of any offering materials shall be limited solely to the subject of the relationship between you and us We may, at our option, require your offering materials to contain a written statement prescribed by us concerning the limitations described in the preceding sentence You, your Controlling Principals and the other participants in the offering must fully indemnify us, our affiliates, and the officers, directors, shareholders, partners, agents, representatives, independent contractors, servants and employees of each of them, in connection with the offering For each proposed public or private offering, you shall reimburse us for our reasonable costs and expenses associated with reviewing the proposed offering, including, without limitation, legal and accounting fees You shall give us written notice at least thirty (30) days prior to the date of commencement of any offering or other transaction covered by Section 14 7

14 9 Transfer Among Owners

If any person holding an interest in you, this Agreement or the Restaurant (other than you or a Controlling Principal, which parties shall be subject to the provisions set forth above) transfers such interest, then you shall promptly notify us of such proposed transfer in writing and shall provide such information relative thereto as we may reasonably request prior to such transfer Such transferee may not be a competitor of ours Such transferee will be your Principal and as such will have to execute a confidentiality agreement and ancillary covenants not to compete in the form then required by us, which form shall be in substantially the same form attached hereto as Attachment D (see Sections 10 2 2 and 10 3 4) We also reserve the right to designate the transferee as one of the Controlling Principals Notwithstanding the provisions contained in Section 14 2 to the contrary, the Controlling Principals may freely transfer their ownership interests in you among themselves and to their family members (or to trusts for the benefit of such family members), and our right of first refusal shall be inapplicable with respect to such transfers, provided you provide us with thirty (30) days prior written notice of such transfer, which notice shall include the names and percentages transferred

ARTICLE 15
INDEMNIFICATION

15 1 Indemnification by You

You and each of the Controlling Principals shall, at all times, indemnify and hold harmless to the fullest extent permitted by law us, our successors and assigns, their respective partners and affiliates and the officers, directors, shareholders, partners, agents, representatives, independent contractors, servants and employees of each of them ("Indemnitees"), from all "losses and expenses" (as defined in Section 15 4 2 below) incurred in connection with any action, suit, proceeding, claim, demand, investigation or inquiry (formal or informal), or any settlement thereof (whether or not a formal proceeding or action has been instituted) which arises out of or is based upon any of the following

15 1 1 The infringement, alleged infringement, or any other violation or alleged violation by you or any of the Controlling Principals of any patent, trademark or copyright or other proprietary right owned or controlled by third parties (except as such may occur with respect to any right to use the Marks, any copyrights or other proprietary information granted hereunder pursuant to Article 10),

15 1 2 The violation, breach or asserted violation or breach by you or any of the Controlling Principals of any federal, state or local law, regulation, ruling, standard or directive or any industry standard,

15 1 3 Libel, slander or any other form of defamation of us, the System or any multi-unit operator or franchisee operating under the System, by you or by any of the Controlling Principals,

15 1 4 The violation or breach by you or by any of the Controlling Principals of any warranty, representation, agreement or obligation in this Agreement or in any other agreement between you or any of your affiliates and us and our Indemnitees, and

15 1 5 Acts, errors, or omissions of you, any of your affiliates and any of the Controlling Principals and the officers, directors, shareholders, partners, agents, representatives, independent contractors and employees of you and your affiliates in connection with the establishment and operation of the Restaurant, including, but not limited to, any acts, errors or omissions of any of the foregoing in the operation of any motor vehicle The parties understand and agree that we cannot and do not exercise control over the manner of operation of any motor vehicles used by, or on behalf of, you or any employee, agent or independent contractor of yours and that the safe operation of any motor vehicle is, therefore, entirely your responsibility

15 2 Notification of Action or Claim

You and each of the Controlling Principals agree to give us prompt notice of any such action, suit, proceeding, claim, demand, inquiry, or investigation At the expense and risk of you and each of the Controlling Principals, we may elect to assume (but under no circumstance are we obligated to undertake) or appoint associate counsel of our own choosing with respect to, the defense and/or settlement of any such action, suit, proceeding, claim, demand, inquiry or investigation Such an undertaking by us shall, in no manner or form, diminish the obligation of you and each of the Controlling Principals to indemnify the Indemnitees and to hold them harmless

15 3 We May Settle

In order to protect persons or property, or our reputation or goodwill, or the reputation or goodwill of others, we may, at any time and without notice, as we in our reasonable judgment deem appropriate, consent or agree to settlements or take such other remedial or corrective action as we deem expedient with respect to the action, suit, proceeding, claim, demand, inquiry or investigation if, in our reasonable judgment, there are reasonable grounds to believe that

15 3 1 any of the acts or circumstances enumerated in Section 15 1 1 through 15 1 4 above have occurred, or

15 3 2 any act, error, or omission as described in Section 15 1 5 may result directly or indirectly in damage, injury, or harm to the System, any person or any property

15 4 Losses and Expenses

All losses and expenses incurred under this Article 15 shall be chargeable to and paid by you or any of the Controlling Principals pursuant to your obligations of indemnity under this Section, regardless of any actions, activity or defense undertaken by us or the subsequent success or failure of such actions, activity, or defense

As used in this Article 15, the phrase "losses and expenses" shall include, without limitation, all losses, compensatory, exemplary or punitive damages, fines, charges, costs, expenses, lost profits, reasonable attorneys' fees, court costs, settlement amounts, judgments, compensation for damages to our reputation and goodwill, costs of or resulting from delays, financing, costs of advertising material and media time/space, and costs of changing, substituting or replacing the same, and any and all expenses of recall, refunds, compensation, public notices and other such amounts incurred in connection with the matters described

15 5 Indemnitees Do Not Assume Liability

The Indemnitees do not hereby assume any liability whatsoever for acts, errors, or omissions of any third party with whom you, any of the Controlling Principals, your affiliates or any of the officers, directors, shareholders, partners, agents, representatives, independent contractors and employees of you or your affiliates may contract, regardless of the purpose You and each of the Controlling Principals shall hold harmless and indemnify the Indemnitees for all losses and expenses which may arise out of any acts, errors or omissions of you, the Controlling Principals, your affiliates, the officers, directors, shareholders, partners, agents, representatives, independent contractors and employees of you and your affiliates and any such other third parties without limitation and without regard to the cause or causes thereof or the negligence of us or any other party or parties arising in connection therewith and whether such negligence be sole, joint or concurrent, or active or passive

15 6 Recovery from Third Parties

Under no circumstances shall the Indemnitees be required or obligated to seek recovery from third parties or otherwise mitigate their losses in order to maintain a claim against you or any of the Controlling Principals You and each of the Controlling Principals agree that the failure to pursue such recovery or mitigate loss will in no way reduce the amounts recoverable from you or any of the Controlling Principals by the Indemnitees

15 7 Survival of Terms

You and the Controlling Principals expressly agree that the terms of this Article 15 shall survive the termination, expiration or transfer of this Agreement or any interest herein

ARTICLE 16
RELATIONSHIP OF THE PARTIES

16 1 No Relationship

The parties acknowledge and agree that this Agreement does not create a fiduciary relationship between them, that you shall be an independent contractor, and that nothing in this Agreement is intended to constitute either party an agent, legal representative, subsidiary, joint venturer, partner, employee, joint employer or servant of the other for any purpose

16 2 Independent Contractor

During the term of this Agreement, you shall hold yourself out to the public as an independent contractor conducting your Restaurant operations pursuant to the rights granted by us You agree to take such action as shall be reasonably necessary to that end, including, without limitation, exhibiting a notice of that fact in a conspicuous place on the Restaurant premises established for the purposes hereunder or on any delivery vehicle and on all letterhead, business cards, forms, and as further described in the Manuals We reserve the right to specify in writing the content and form of such notice

16 3 You are Not Authorized

You understand and agree that nothing in this Agreement authorizes you or any of the Controlling Principals to make any contract, agreement, warranty or representation on our behalf, or to incur any debt or other obligation in our name, and that we shall in no event assume liability for, or be deemed liable under this Agreement as a result of, any such action, or for any act or omission of you or any of the Controlling Principals or any claim or judgment arising therefrom

ARTICLE 17
TERMINATION

17 1 Automatic Termination – No Right to Cure

17 1 1 You acknowledge and agree that each of your obligations described in this Agreement is a material and essential obligation of yours, that non-performance of such obligations will adversely and substantially affect us and the System, and that our exercise of the rights and remedies set forth herein is appropriate and reasonable

17 1 2 You shall be in default under this Agreement, and all rights granted to you herein shall automatically terminate without notice to you, if you, or any of your partners, if you are a partnership, or any of your officers, directors, shareholders, or members, if you are a corporation or limited liability company, shall become insolvent or make a general assignment for the benefit of creditors, if a petition in bankruptcy is filed by you or such a petition is filed against and not opposed by you, if you are adjudicated a bankrupt or insolvent, if a bill in equity or other proceeding for the appointment of a receiver or other custodian for you or your business or assets is filed and consented to by you, if a receiver or other custodian (permanent or temporary) of your assets or property, or any part thereof, is appointed by any court of competent jurisdiction, if proceedings for a composition with creditors under any state or federal law should be instituted by or against you, if a final judgment remains unsatisfied or of record for thirty (30) days or longer (unless a *supersedeas* bond is filed), if you are

dissolved, if execution is levied against your business or property, if suit to foreclose any lien or mortgage against the Premises or equipment is instituted against you and not dismissed within thirty (30) days, or if the real or personal property of the Franchised Business shall be sold after levy thereupon by any sheriff, marshal, or constable

17 1 3 You shall be deemed to be in material default and we may, at our option, terminate this Agreement and all rights granted hereunder, without affording you any opportunity to cure the default, (except as otherwise stated below), effective immediately upon notice to you, upon the occurrence of any of the following events

(a) If you operate the Restaurant or sell any products or services authorized by us for sale at the Restaurant at a location which has not been approved by us,

(b) If you fail to acquire an accepted location for the Restaurant within the time and in the manner specified in Article 2,

(c) If you fail to construct or remodel the Restaurant in accordance with the plans and specifications provided to you under Section 5 2 as such plans may be adapted with our approval in accordance with Section 2 5,

(d) If you fail to open the Restaurant for business as required in Section 2 6 hereof,

(e) If you at any time cease to operate or otherwise abandon the Restaurant, or lose the right to possession of the premises, or otherwise forfeit the right to do or transact business in the jurisdiction where the Restaurant is located, provided, however, that this provision shall not apply in cases of Force Majeure (acts of God, strikes, lockouts or other industrial disturbances, war, riot, epidemic, acts of terrorism, fire or other catastrophe or other forces beyond your control), if through no fault of yours the premises are damaged or destroyed by an event as described above, provided that you apply within thirty (30) days after such event, for our approval to relocate or reconstruct the premises (which approval shall not be unreasonably withheld) and you diligently pursue such reconstruction or relocation, such approval may be conditioned upon the payment of an agreed minimum fee to us during the period in which the Restaurant is not in operation,

(f) If you or any of the Controlling Principals are convicted of, or have entered a plea of *nolo contendere* to, a felony, a crime involving moral turpitude, or other crime that we believe is reasonably likely to have an adverse effect on the System, the Marks, the goodwill associated therewith, or our interests therein,

(g) If a threat or danger to public health or safety results from the construction, maintenance or operation of the Restaurant,

(h) If you or any of the Controlling Principals purport to transfer any rights or obligations under this Agreement or any interest in you or the Restaurant to any third party without our prior written consent or without offering us a right of first refusal with respect to such transfer, contrary to the terms of Article 14 of this Agreement,

(i) If you or any of your affiliates fail, refuse, or neglect promptly to pay any monies owing to us, or any of our affiliates or vendors, when due under this Agreement or any other agreement, or to submit the financial or other information required by us under this Agreement and do not cure such default within five (5) days following notice from us (or such other cure period specified in such other agreement, unless no cure period is stated or such period is less than five (5) days, in which case the five (5) day cure period shall apply),

(j) If you or any of the Controlling Principals fail to comply with the in-term covenants in Section 10 3 hereof or you fail to obtain execution of the covenants and related agreements required under Section 10 3 4 hereof within thirty (30) days following notice from us,

(k) If, contrary to the terms of Section 10 2 1 hereof, you or any of the Controlling Principals disclose or divulge any confidential information provided to you or the Controlling Principals by us, or fail to obtain execution of covenants and related agreements required under Section 10 2 2 hereof within thirty (30) days following notice from us,

(l) If a transfer upon death or permanent disability is not transferred in accordance with Article 14 and within the time periods therein,

(m) If you knowingly maintain false books or records, or submit any false reports to us,

(n) If you breach in any material respect any of the covenants in any material respect set forth in Article 6 or have falsely made any of the representations or warranties set forth in Article 6,

(o) If you fail to propose a qualified replacement or successor General Manager within the time required under Section 6 3 4 following ten (10) days prior written notice,

(p) If you fail to procure and maintain the insurance policies required by Article 12 and you fail to cure such default within ten (10) days following notice from us,

(q) If you misuse or make any unauthorized use of the Marks or otherwise materially impair the goodwill associated therewith or our rights therein, provided that, notwithstanding the above, you shall be entitled to notice of such event of default and shall have twenty-four (24) hours to cure such default,

(r) If you or any of the Controlling Principals commit three (3) material events of default under this Agreement, within any twelve (12) month period, whether or not such defaults are of the same or different nature and whether or not such defaults have been cured by you after notice by us,

(s) If your General Manager is not able to complete our initial training program to our satisfaction, after having given you the opportunity to designate a replacement General Manager, and

(t) If you fail to comply with all applicable laws and ordinances relating to the Restaurant, including Anti-Terrorism Laws, or if your or any of your owners' assets, property, or interests are blocked under any law, ordinance, or regulation relating to terrorist activities, or you or any of your owners otherwise violate any such law, ordinance, or regulation

17 2 Notice of Termination – 30 Days to Cure

Except as provided in Sections 17 1 2 and 17 1 3 of this Agreement, upon any default by you which is susceptible of being cured, we may terminate this Agreement by giving written notice of termination stating the nature of such default to you at least thirty (30) days prior to the effective date of termination However, you may avoid termination by immediately initiating a remedy to cure such default and curing it to our reasonable or making a bona fide attempt to cure to our reasonable satisfaction within the thirty (30) day period and by promptly providing proof thereof to us If any such default is not cured within the specified time, or such longer period as applicable law may require, this Agreement shall terminate without further notice to you effective immediately upon the expiration of the thirty (30) day period or such longer period as applicable law may require Defaults which are susceptible of cure hereunder may include, but are not limited to, the following illustrative events

17 2 1 If you fail to comply with any of the requirements imposed by this Agreement, as it may from time to time be amended or reasonably be supplemented by us, or fail to carry out the terms of this Agreement in good faith

17 2 2 If you fail to maintain or observe any of the standards, specifications or procedures prescribed by us in this Agreement or otherwise in writing

17 2 3 If you fail, refuse, or neglect to obtain our prior written approval or consent as required by this Agreement

17 3 Cross-Defaults, Non-Exclusive Remedies, etc

Any default by you (or any person/company affiliated with you) under this Agreement may be regarded as a default under any other agreement between us (or any of our affiliates) and you (or any of your affiliates) Any default by you (or any person/company affiliated with you) under any other agreement, including, but not limited to, any lease and/or sublease, between us (or any of our affiliates) and you (or any person/company affiliated with you), and any default by you (or any person/company affiliated with you) under any obligation to us (or any of our affiliates) may be regarded as a default under this Agreement Any default by you (or any person/company affiliated with you) under any lease, sublease, loan agreement, security interest or otherwise, whether with us, any of our affiliates and/or any third party may be regarded as a default under this Agreement and/or any other agreement between us (or any of our affiliates) and you (or any of your affiliates)

In each of the foregoing cases, we (and any of our affiliates) will have all remedies allowed at law, including termination of your rights (and/or those of any person/company affiliated with you) and our (and/or our affiliates') obligations No right or remedy which we may have (including termination) is exclusive of any other right or remedy provided under law or equity and we may pursue any rights and/or remedies available

17 4 Our Right to Discontinue Services to You

If you are in breach of any obligation under this Agreement, and we deliver to you a notice of termination pursuant to this Article 17, we have the right to suspend our performance of any of our obligations under this Agreement including, without limitation, the sale or supply of any services or products for which we are an approved supplier to you and/or suspension of the web page for your Restaurant on our Website, until such time as you correct the breach

ARTICLE 18
POST-TERMINATION

Upon termination or expiration of this Agreement, all rights granted hereunder to you shall forthwith terminate, and

18 1 Cease Operations

You shall immediately cease to operate the Restaurant under this Agreement, and shall not thereafter, directly or indirectly, represent to the public or hold yourself out as a present or former franchisee of ours

18 2 Stop Using the System

You shall immediately and permanently cease to use, in any manner whatsoever, any confidential methods, computer software, procedures, and techniques associated with the System, the mark "Boardwalk Fries Burgers Shakes", and all other Marks and distinctive forms, slogans, signs, symbols, and devices associated with the System In particular, you shall cease to use, without limitation, all signs, advertising materials, displays, stationery, forms and any other articles which display the Marks, and shall immediately change all paint colors, remove all of our proprietary or non-proprietary design items

18 3 Cancellation of Assumed Names

You shall take such action as may be necessary to cancel any assumed name or equivalent registration which contains the mark "Boardwalk Fries Burgers Shakes" or any other service mark or trademark of ours, and you shall furnish us with evidence satisfactory to us of compliance with this obligation within five (5) days after termination or expiration of this Agreement

18 4 No Use of Similar Marks

You agree, in the event you continue to operate or subsequently begin to operate any other business, not to use any reproduction, counterfeit, copy or colorable imitation of the Marks, either in connection with such other business or the promotion thereof, which is likely to cause confusion, mistake or deception, or which is likely to dilute our rights in and to the Marks, and further agree not to utilize any designation of origin or description or representation which falsely suggests or represents an association or connection with us constituting unfair competition

18 5 Payment of Sums Owed

You and your Controlling Principals shall promptly pay all sums owing to us Such sums shall include all damages, costs and expenses, including reasonable attorneys' fees, incurred by us as a result of any default by you, which obligation shall give rise to and remain, until paid in full, a lien in our favor against any and all of the personal property, furnishings, equipment, fixtures, and inventory owned by you and on the premises operated hereunder at the time of default

18 6 Payment of Damages, Costs and Expenses

You and the Controlling Principals shall pay to us all damages, costs and expenses, including reasonable attorneys' fees, incurred by us in connection with obtaining any remedy available to us for any violation of this Agreement and, subsequent to the termination or expiration of this Agreement, in obtaining injunctive or other relief for the enforcement of any provisions of this Article 18

18 7 Delivery of Manuals and Materials

You shall immediately deliver to us all Manuals, software licensed by us, records, files, instructions, correspondence, all materials related to operating the Restaurant, including, without limitation, agreements, invoices, and any and all other materials relating to the operation of the Restaurant in your possession or control, and all copies thereof (all of which are acknowledged to be our property), and shall retain no copy or record of any of the foregoing, except your copy of this Agreement and of any correspondence between the parties and any other documents which you reasonably need for compliance with any provision of law

18 8 Confidential Information

You and the Controlling Principals shall comply with the restrictions on confidential information contained in Article 10 of this Agreement and shall also comply with the non-competition covenants contained in Article 10 Any other person required to execute similar covenants pursuant to Article 10 shall also comply with such covenants

18 9 Advertising and Promotional Materials

You shall also immediately furnish us with an itemized list of all advertising and sales promotion materials bearing the Marks or any of our distinctive markings, designs, labels, or other marks thereon, whether located on your premises or under your control at any other location We shall have the right to inspect these materials We shall have the option, exercisable within thirty (30) days after such inspection, to purchase any or all of the materials at your cost, or to require you to destroy and properly dispose of such materials Materials not purchased by us shall not be utilized by you or any other party for any purpose unless authorized in writing by us

18 10 Assignment to Us

Upon execution of this Agreement, in partial consideration of the rights granted hereunder, you acknowledge and agree that all right, title and interest in the signs used at the Restaurant are hereby assigned to us, and that upon termination or expiration of this Agreement, neither you nor any lien holder of yours shall have any further interest therein

18 11 Assignment of Lease

If you operate the Restaurant under a lease for the Restaurant premises with a third party or, with respect to any lease for equipment used in the operation of the Franchised Business, then you shall, at our option, assign to us any interest which we have in any lease or sublease for the premises of the Restaurant or any equipment related thereto We may exercise such option at or within thirty (30) days after either termination or (subject to any existing right to renew) expiration of this Agreement In the event we do not elect to exercise our option to acquire the lease or sublease for the Restaurant premises or do not have such option, you shall make such modifications or alterations to the Restaurant premises as are necessary to distinguish the appearance of the Restaurant from that of other Restaurants operating under the System and shall make such specific additional changes as we may reasonably request If you fail or refuse to comply with the requirements of this Section 18 11, we shall have the right to enter upon the premises of the Franchised Business, without being guilty of trespass or any other crime or tort, to make or cause to be made such changes as may be required, at your expense, which expense you agree to pay upon demand Notwithstanding the provisions of this Section 18 11 to the contrary, in the event the lease is assigned to us, we hereby indemnify and hold harmless you and any guarantors under said lease, for any breach by us or our successors or assigns from any liability arising out of the lease for the Restaurant premises from and after the date of the assignment of lease

18 12 Our Right to Purchase

18 12 1 Except as provided in Sections 18 9, 18 10 and 18 13, we shall have the option, to be exercised within thirty (30) days after termination or expiration of this Agreement, to purchase from you any or all of the furnishings, equipment (including any electronic cash register or computer hardware and software systems), signs, fixtures, motor vehicles, supplies, and inventory of yours related to the operation of the Restaurant, at fair market value We shall be purchasing your assets only and shall be

assuming no liabilities whatsoever, unless otherwise agreed to in writing by the parties If the parties cannot agree on the fair market value within thirty (30) days of our exercise of this option, fair market value shall be determined by two (2) appraisers, with each party selecting one (1) appraiser, and the average of their determinations shall be binding In the event of such appraisal, each party shall bear its own legal and other costs and each shall pay one-half (1/2) of the appraisal fees If we elect to exercise any option to purchase herein provided, we shall have the right to set off (i) all fees for any such independent appraiser due from you, (ii) all amounts due from you to us and (iii) any costs incurred in connection with any escrow arrangement (including reasonable legal fees), against any payment therefor and shall pay the remaining amount in cash

18 12 2 In addition to the options described above and if you own the Restaurant premises, then we shall have the option, to be exercised at or within thirty (30) days after termination or expiration of this Agreement, to purchase the Restaurant premises including any building thereon, if applicable, for the fair market value of the land and building, and any or all of the furnishings, equipment, signs, fixtures, vehicles, supplies and inventory therein at fair market value We shall purchase assets only and shall assume no liabilities whatsoever, unless otherwise agreed to in writing by the parties If you do not own the land on which the Restaurant is operated and we exercise our option for an assignment of the lease, we may exercise this option for the purpose of purchasing the building if owned by you and related assets as described above If the parties cannot agree on fair market value within thirty (30) days of our exercise of this option, fair market value shall be determined in accordance with appraisal procedure described above

18 12 3 With respect to the options described in Sections 18 11, 18 12 1 and 18 12 2, you shall deliver to us in a form satisfactory to us, such warranties, deeds, releases of lien, bills of sale, assignments and such other documents and instruments which we deem necessary in order to perfect our title and possession in and to the properties being purchased or assigned and to meet the requirements of all tax and government authorities If, at the time of closing, you have not obtained all of these certificates and other documents, we may, in our sole discretion, place the purchase price in escrow pending issuance of any required certificates or documents

18 12 4 The time for closing of the purchase and sale of the properties described in Sections 18 12 1 and 18 12 2 shall be a date not later than thirty (30) days after the purchase price is determined by the parties or the determination of the appraisers, or such date we receive and obtain all necessary permits and approvals, whichever is later, unless the parties mutually agree to designate another date The time for closing on the assignment of the lease described in Section 18 11 shall be a date no later than ten (10) days after our exercise of the option thereunder unless we are exercising our options under either Section 18 12 1 or 18 12 2, in which case the date of the closing shall be on the same closing date prescribed for such option Closing shall take place at our corporate offices or at such other location as the parties may agree

18 13 Restaurant Assets

Notwithstanding anything to the contrary contained in Sections 18 11 and 18 12, if you operate the Restaurant from a premises that is subleased to you by us, upon termination (or expiration if you do not renew) of this Agreement, we shall have the right to take immediate possession of the assets of the Restaurant, including, any or all of the furnishings, equipment (including any point of sale or computer hardware and software systems), signs, fixtures, motor vehicles, supplies, and inventory of yours related to the operation of the Restaurant We shall have a lien against all such assets in the amount of any amounts due to us under this Agreement or any other agreement We shall have the right to have such assets appraised at the lower of cost or fair market value of the used assets, and to acquire all right, title and interest to such assets, without conducting any public sale, by paying to you (or to any lender of yours who has a lienholder interest in the assets) the difference between the appraised value and the amounts owed to us by you at the time of termination If the lien on the assets from your lender has priority over any lien of ours, and the amount of the lien is in excess of the appraised value of such assets, we shall have the right to deal directly with your lienholder, and to pay any amounts due to you directly to the lienholder You agree to provide all further assurances, and to execute all documents required by us or by law to lawfully effect such transfer, and to perfect our security interest We shall have the right to take such action without the execution of any further documents by you if you fail or refuse to comply with these further assurances

18 14 Assignment of Options by Us

We shall be entitled to assign any and all of our options in this Section to any other party, without your consent

18 15 Telephone Numbers, Yellow Pages Listings, etc

You, at our option, shall assign to us all rights to the telephone numbers of the Restaurant and any related Yellow Pages trademark listing or other business listings and execute all forms and documents required by us and any telephone company at any time to transfer such service and numbers to us Further, you shall assign to us all Internet listings, domain names, Internet Accounts, advertising on the Internet or World Wide Web, websites, listings with search engines, e-mail addresses or any other similar listing or usage related to the Franchised Business Notwithstanding any forms and documents which may have been executed under Section 7 9, you hereby appoint us as your true and lawful agent and attorney-in-fact with full power and authority, for the sole purpose of taking such action as is necessary to complete such assignment This power of attorney shall survive the expiration or termination of this Agreement You shall thereafter use different telephone numbers, email addresses or other listings or usages at or in connection with any subsequent business conducted by you

18 16 Liquidated Damages

If we terminate this Agreement with cause, you must pay us liquidated damages equal to the average value of the Royalty Fees you paid (per month) to us during the twelve (12) months before the termination multiplied by (i) twenty-four (24), being the number of months in two (2) full years, or (ii) the number of months remaining during the term of this Agreement, whichever is higher

The parties hereto acknowledge and agree that it would be impracticable to determine precisely the damages we would incur from this Agreement's termination and the loss of cash flow from Royalty Fees due to, among other things, the complications of determining what costs, if any, we might have saved and how much the Royalty Fees would have grown over what would have been this Agreement's remaining term The parties hereto consider this liquidated damages provision to be a reasonable, good faith pre-estimate of those damages

The liquidated damages provision only covers our damages from the loss of cash flow from the Royalty Fees It does not cover any other damages, including damages to our reputation with the public and landlords and damages arising from a violation of any provision of this Agreement other than the Royalty Fee section You and each of your owners agree that the liquidated damages provision does not give us an adequate remedy at law for any default under, or for the enforcement of, any provision of this Agreement other than the Royalty Fee section

ARTICLE 19
MISCELLANEOUS

19 1 Notices

Any and all notices required or permitted under this Agreement shall be in writing and shall be personally delivered or sent by expedited delivery service or certified or registered mail, return receipt requested, first class postage prepaid, or sent by overnight delivery service or facsimile to the respective parties at the following addresses unless and until a different address has been designated by written notice to the other party

Notices to Franchisor	Boardwalk Fresh Burgers and Fries, Inc T/A Boardwalk Fries Burgers Shakes 9220 Rumsey Road, Suite 101 Columbia, Maryland 21045 Attention President Facsimile (410) 715-0711
With a copy to	Harold L Kestenbaum, Esq ~~90 Merrick Avenue~~175 Broadhollow Road, Suite ~~601~~ 175 ~~East Meadow~~Melville, New York ~~11554~~11747 Facsimile (516) 745-0293
Notices to Franchisee and the Controlling Principals	________________ ________________ ________________ Attention __________ Facsimile __________

Any notice shall be deemed to have been given at the time of personal delivery or, in the case of facsimile, upon transmission (provided confirmation is sent as described above) or, in the case of expedited delivery service or registered or certified mail, three (3) business days after the date and time of mailing

19 2 Entire Agreement

This Agreement, the documents referred to herein, and the Attachments hereto, constitute the entire, full and complete agreement between us and you and the Controlling Principals concerning the subject matter hereof and shall supersede all prior related agreements between us and you and the Controlling Principals, provided, however, that nothing in this or any related agreement is intended to disclaim the representations made by us in the Disclosure Document that was furnished to you by us Except for those permitted to be made unilaterally by us hereunder, no amendment, change or variance from this Agreement shall be binding on either party unless mutually agreed to by the parties and executed by their authorized officers or agents in writing

19 3 No Waiver

No delay, waiver, omission or forbearance on our part to exercise any right, option, duty or power arising out of any breach or default by you or the Controlling Principals under this Agreement shall constitute a waiver by us to enforce any such right, option, duty or power against you or the Controlling Principals, or as to a subsequent breach or default by you or the Controlling Principals Acceptance by us of any payments due to us hereunder subsequent to the time at which such payments are due shall not be deemed to be a waiver by us of any preceding breach by you or the Controlling Principals of any terms, provisions, covenants or conditions of this Agreement

19 4 Our Prior Approval

Whenever this Agreement requires our prior approval or consent, you shall make a timely written request to us, and such approval or consent shall be obtained in writing

19 5 No Warranty or Guaranty

We make no warranties or guarantees upon which you may rely and assume no liability or obligation to you or any third party to which we would not otherwise be subject, by providing any waiver, approval, advice, consent or suggestion to you in connection with this Agreement, or by reason of any neglect, delay or denial of any request therefor

19 6 Continued Obligation to Pay Sums

If a Force Majeure event shall occur, then, in addition to payments required under Section 17 1 3(e), you shall continue to be obligated to pay to us any and all amounts that you shall have duly become obligated to pay in accordance with the terms of this Agreement prior to the occurrence of any Force Majeure event and the Indemnitees shall continue to be indemnified and held harmless by you in accordance with Article 15 Except as provided in Section 17 1 3(e) and the immediately preceding sentence herein, none of the parties hereto shall be held liable for a failure to comply with any terms and conditions of this Agreement when such failure is caused by an event of Force Majeure Upon the occurrence of any event of the type referred to herein, the party affected thereby shall give prompt notice thereof to the other parties, together with a description of the event, the duration for which the party expects its ability to comply with the provisions of the Agreement to be affected thereby and a plan for resuming operation under the Agreement, which the party shall promptly undertake and maintain with due diligence Such affected party shall be liable for failure to give timely notice only to the extent of damage actually caused

19 7 Arbitration

Except to the extent we elect to enforce the provisions of this Agreement by judicial process and injunction in our sole discretion, all disputes, claims and controversies between the parties arising under or in connection with this Agreement or the making, performance or interpretation thereof (including claims of fraud in the inducement and other claims of fraud and the arbitrability of any matter) which have not been settled through negotiation or mediation will be settled by binding arbitration in Maryland under the authority of Maryland Statutes The arbitrator(s) will have a minimum of five (5) years experience in franchising or distribution law and will have the right to award specific performance of this Agreement If the parties cannot agree upon a mutually agreeable arbitrator, then the arbitration shall be conducted as per the selection method set forth in the Maryland Statutes The proceedings will be conducted under the commercial arbitration rules of the American Arbitration Association, to the extent such rules are not inconsistent with the provisions of this arbitration provision or the Maryland Statutes The decision of the arbitrator(s) will be final and binding on all parties This Section will survive termination or non-renewal of this Agreement under any circumstances Judgment upon the award of the arbitrator(s) may be entered in any court having jurisdiction thereof During the pendency of any arbitration proceeding, you and we shall fully perform our respective obligations under this Agreement

19 8 Governing Law, Injunctive Relief

With respect to any claims, controversies or disputes which are not finally resolved through mediation or arbitration, or as otherwise provided above, you and the Controlling Principals hereby irrevocably submit themselves to the jurisdiction of the state courts of Howard County, Maryland and the Federal District Court nearest to our headquarters You and the Controlling Principals hereby waive all questions of personal jurisdiction for the purpose of carrying out this provision You and the Controlling Principals hereby agree that service of process may be made upon any of them in any proceeding relating to or arising out of this Agreement or the relationship created by this Agreement by any means allowed by Maryland or federal law You and the Controlling Principals further agree that venue for any proceeding relating to or arising out of this Agreement shall be Howard County, Maryland, provided, however, with respect to any action (1) for monies owed, (2) for injunctive or other extraordinary relief or (3) involving possession or disposition of, or other relief relating to, real property, we may bring such action in any State or Federal District Court which has jurisdiction With respect to all claims, controversies, disputes or actions, related to this Agreement or the relationship created thereby, this Agreement and any such related claims, controversies, disputes or actions shall be governed, enforced and interpreted under Maryland law

Notwithstanding anything to the contrary contained in Section 19 7 above, we and you each have the right, in a proper case, to seek injunctions, restraining orders and orders of specific performance from a court of competent jurisdiction, provided that we agree to contemporaneously submit its dispute for arbitration on the merits as provided herein

You agree that we will not be required to post a bond to obtain any injunctive relief and that your only remedy if an injunction is entered against you will be the dissolution of that injunction if warranted upon due hearing All claims for damages by reason of the wrongful issuance of such injunction are hereby expressly waived If we secure any such injunction or order of specific performance, you agree to pay to us an amount equal to the aggregate of our costs of obtaining such relief including, without limitation, reasonable legal fees, costs and expenses as provided in this Section and any damages incurred by us as a result of the breach of any such provision

19 9 Agreement Regarding Governing Law and Choice of Forum

You, the Controlling Principals and we acknowledge that the parties' agreement regarding applicable state law and forum set forth in Section 19 8 above provide each of the parties with the mutual benefit of uniform interpretation of this Agreement and any dispute arising out of this Agreement or the parties' relationship created by this Agreement Each of you, the Controlling Principals and we further acknowledge the receipt and sufficiency of mutual consideration for such benefit and that each party's agreement regarding applicable state law and choice of forum have been negotiated in good faith and are part of the benefit of the bargain reflected by this Agreement

19 10 Acceptance of Agreement

You, the Controlling Principals and we acknowledge that the execution of this Agreement and acceptance of the terms by the parties occurred in Howard County, Maryland, and further acknowledge that the performance of certain obligations of yours arising under this Agreement, including, but not limited to, the payment of monies due hereunder and the satisfaction of certain training requirements of ours, shall occur in Howard County, Maryland

19 11 Waiver of Punitive Damages

You, the Controlling Principals and we hereby waive, to the fullest extent permitted by law, any right to or claim or any punitive, exemplary, incidental, indirect, special, consequential or other damages (including, without limitation, loss of profits) against either party, their officers, directors, shareholders, partners, agents, representatives, independent contractors, servants and employees, in their corporate and individual capacities, arising out of any cause whatsoever (whether such cause be based in contract, negligence, strict liability, other tort or otherwise) and agree that in the event of a dispute, either party shall be limited to the recovery of any actual damages sustained by it If any other term of this Agreement is found or determined to be unconscionable or unenforceable for any reason, the foregoing provisions of waiver by agreement of punitive, exemplary, incidental, indirect, special, consequential or other damages (including, without limitation, loss of profits) shall continue in full force and effect

19 12 Execution in Multiple Counterparts

This Agreement may be executed in multiple counterparts, each of which when so executed shall be an original, and all of which shall constitute one and the same instrument

19 13 Captions

The captions used in connection with the sections and subsections of this Agreement are inserted only for purpose of reference Such captions shall not be deemed to govern, limit, modify or in any other manner affect the scope, meaning or intent of the provisions of this Agreement or any part thereof nor shall such captions otherwise be given any legal effect

19 14 Survival of Terms

Any obligation of you or the Controlling Principals that contemplates performance of such obligation after termination or expiration of this Agreement or the transfer of any interest of you or the Controlling Principals therein, shall be deemed to survive such termination, expiration or transfer

19 15 Severability of Provisions

Except as expressly provided to the contrary herein, each portion, section, part, term and provision of this Agreement shall be considered severable, and if, for any reason, any portion, section, part, term or provision is determined to be invalid and contrary to, or in conflict with, any existing or future law or regulation by a court or agency having valid jurisdiction, this shall not impair the operation of, or have any other effect upon, the other portions, sections, parts, terms or provisions of this Agreement that may remain otherwise intelligible, and the latter shall continue to be given full force and effect and bind the parties, the invalid portions, sections, parts, terms or provisions shall be deemed not to be part of this Agreement, and there shall be automatically added such portion, section, part, term or provision as similar as possible to that which was severed which shall be valid and not contrary to or in conflict with any law or regulation

19 16 Joint and Several Obligations

All references herein to the masculine, neuter or singular shall be construed to include the masculine, feminine, neuter or plural, where applicable Without limiting the obligations individually undertaken by the Controlling Principals under this Agreement, all acknowledgments, promises, covenants, agreements and obligations made or undertaken by you in this Agreement shall be deemed, jointly and severally, undertaken by all of the Controlling Principals

19 17 Rights and Remedies Cumulative

All rights and remedies of the parties to this Agreement shall be cumulative and not alternative, in addition to and not exclusive of any other rights or remedies which are provided for herein or which may be available at law or in equity in case of any breach, failure or default or threatened breach, failure or default of any term, provision or condition of this Agreement or any other agreement between you or any of your affiliates and us The rights and remedies of the parties to this Agreement shall be continuing and shall not be exhausted by any one or more uses thereof, and may be exercised at any time or from time to time as often as may be expedient, and any option or election to enforce any such right or remedy may be exercised or taken at any time and from time to time The expiration, earlier termination or exercise of our rights pursuant to Article 17 of this Agreement shall not discharge or release you or any of the Controlling Principals from any liability or obligation then accrued, or any liability or obligation continuing beyond, or arising out of, the expiration, the earlier termination or the exercise of such rights under this Agreement

19 18 Terminology

The term "your Principals" shall include, collectively and individually, (1) your spouse, if you are an individual, (2) all officers, directors, managers and general partners (or persons holding comparable positions in non-corporate entities) of you and (3) all officers, directors, managers and general partners (or persons holding comparable positions in non-corporate entities) of any Controlling Principal that itself is an entity, in each case whom we designate as your Principals and all holders of an ownership interest in you and of any entity directly or indirectly controlling you, and any other person or entity controlling, controlled by or under common control with you As used in this Section 19 18, the terms "control" and "controlling" shall mean the power to influence the management decisions of the specified person and shall in any case be deemed to exist where the second person holds ten percent (10%) or more of the total ownership interest in the specified person, serves on any board of directors or comparable body of such specified person or acts as an officer, general partner or manager thereof (or holds a comparable position in a non-corporate entity) The initial Principals shall be listed on Attachment C The term 'Controlling Principals" shall include, collectively and individually, any Principal who has been designated by us as a Controlling Principal hereunder For purposes of this Agreement, a publicly held corporation is a corporation registered pursuant to Section 12 of the Securities Exchange Act of 1934, as amended, or a corporation subject to the requirements of Section 15(d) of such Act

19 19 References

Each reference in this Agreement to a corporation or partnership shall be deemed to also refer to a limited liability company and any other entity or organization similar thereto Each reference to the organizational documents, equity owners, directors, and officers of a corporation in this Agreement shall be deemed to refer to the functional equivalents of such organizational documents, equity owners, directors, and officers, as applicable, in the case of a limited liability company or any other entity or organization similar thereto

19 20 No Rights or Remedies Except to the Parties

Except as expressly provided to the contrary herein, nothing in this Agreement is intended, nor shall be deemed, to confer upon any person or legal entity other than you, us, our officers, directors, members and employees and such of your and our respective successors and assigns as may be contemplated (and, as to you, authorized by Article 14), any rights or remedies under or as a result of this Agreement

19 21 Effectiveness of Agreement

This Agreement shall not become effective until signed by an authorized officer of ours

19 22 Modification of the System

You understand and agree that the System must not remain static if it is to meet, without limitation, presently unforeseen changes in technology, competitive circumstances, demographics, populations, consumer trends, societal trends and other marketplace variables, and if it is to best serve the interests of us, you and all other franchisees Accordingly, you expressly understand and agree that we may from time to time change the components of the System including, but not limited to, altering the products, programs, services, methods, standards, forms, policies and procedures of that System, abandoning the System altogether in favor of another system in connection with a merger, acquisition, other business combination or for other reasons, adding to, deleting from or modifying those products, programs and services which your Franchised Business is authorized and required to offer, modifying or substituting entirely the building, premises, equipment, signage, trade dress, decor, color schemes and uniform specifications and all other unit construction, design, appearance and operation attributes which you are required to observe hereunder, and changing, improving, modifying, or substituting other words or designs for, the Marks You expressly agree to comply with any such modifications, changes, additions, deletions, substitutions and alterations, provided, however, that such changes shall not materially and unreasonably increase your obligations hereunder

You shall accept, use and effectuate any such changes or modifications to, or substitution of, the System as if they were part of the System at the time that this Agreement was executed

We shall not be liable to you for any expenses, losses or damages sustained by you as a result of any of the modifications contemplated hereby You hereby covenant not to commence or join in any litigation or other proceeding against us or any third party complaining of any such modifications or seeking expenses, losses or damages caused thereby You expressly waive any claims, demands or damages arising from or related to the foregoing activities including, without limitation, any claim of breach of contract, breach of fiduciary duty, fraud, and/or breach of the implied covenant of good faith and fair dealing

19 23 Operation in the Event of Absence or Disability

In order to prevent any interruption of the Franchised Business operations which would cause harm to the Franchised Business, thereby depreciating the value thereof, you authorize us, who may, at our option, in the event that you are absent for any reason or are incapacitated by reason of illness and are unable, in our sole and reasonable judgment, to operate the Franchised Business, operate the Franchised Business for so long as we deem necessary and practical, and without waiver of any other rights or remedies we may have under this Agreement All monies from the operation of the Franchised Business during such period of operation by us shall be kept in a separate account, and the expenses of the Franchised Business, including reasonable compensation and expenses for our representative, shall be charged to said account If, as herein provided, we temporarily operate the Franchised Business franchised herein for you, you agree to indemnify and hold harmless us and any representative of ours who may act hereunder, from any and all acts which we may perform, as regards the interests of you or third parties

19 24 Step-In Rights

If we determine in our sole judgment that the operation of your business is in jeopardy, or if a default occurs, then in order to prevent an interruption of the Franchised Business which would cause harm to the System and thereby lessen its value, you authorize us to operate your business for as long as we deem necessary and practical, and without waiver of any other rights or remedies which we may have under this Agreement In our sole judgment, we may deem you incapable of operating the Franchised Business if, without limitation, you are absent or incapacitated by reason of illness or death, you have failed to pay when due or have failed to remove any and all liens or encumbrances of every kind placed upon or against your business, or we determine that operational problems require that we operate your business for a period of time that we determine, in our sole discretion, to be necessary to maintain the operation of the business as a going concern

We shall keep in a separate account all monies generated by the operation of your business, less the expenses of the business, including reasonable compensation and expenses for our representatives In the event of our exercise of the Step-In Rights, you agree to hold harmless us and our representatives for all actions occurring during the course of such temporary operation You agree to pay all of our reasonable attorneys' fees and costs incurred as a consequence of our exercise of the Step-In Rights Nothing contained herein shall prevent us from exercising any other right which we may have under this Agreement, including, without limitation, termination

ARTICLE 20
TECHNOLOGY

20 1 Computer Systems and Software

The following terms and conditions shall apply with respect to your computer system

20 1 1 We shall have the right to specify or require that certain brands, types, makes, and/or models of communications, computer systems, and hardware to be used by, between, or among Boardwalk Fries Burgers Shakes Restaurants, including without limitation (a) back office and point of sale systems, data, audio, video, and voice storage, retrieval, and transmission systems for use at Boardwalk Fries Burgers Shakes Restaurants, between or among Restaurants, and between and among your Restaurant and us and/or you, (b) Point of Sale Systems, (c) physical, electronic, and other security systems, (d) printers and other peripheral devices, (e) archival back-up systems, and (f) internet access mode and speed (collectively, the "Computer System")

20 1 2 We shall have the right, but not the obligation, to develop or have developed for us, or to designate (a) computer software programs and accounting system software that you must use in connection with the Computer System ("Required Software"), which you shall install, (b) updates, supplements, modifications, or enhancements to the Required Software, which you shall install, (c) the tangible media upon which you shall record data, and (d) the database file structure of your Computer System

20 1 3 You shall record all sales on computer-based point of sale systems approved by us or on such other types of systems as may be designated by us in the Manual or otherwise in writing ("Point of Sale Systems"), which shall be deemed part of your Computer System

20 1 4 You shall make, from time to time, such upgrades and other changes to the Computer System and Required Software as we may request in writing (collectively, "Computer Upgrades")

20 1 5 You shall comply with all specifications issued by us with respect to the Computer System and the Required Software, and with respect to Computer Upgrades You shall also afford us unimpeded access to your Computer System and Required Software as we may request, in the manner, form, and at the times requested by us

20 2 Data

We may, from time to time, specify in the Manual or otherwise in writing the information that you shall collect and maintain on the Computer System installed at the Restaurant, and you shall provide to us such reports as we may reasonably request from the data so collected and maintained All data pertaining to the Restaurant, and all data created or collected by you in connection with the System, or in connection with your operation of the Restaurant (including without limitation data pertaining to or otherwise concerning the Restaurant's customers) or otherwise provided by you (including, without limitation, data uploaded to, or downloaded from your Computer System) is and will be owned exclusively by us, and we will have the right to use such data in any manner that we deem appropriate without compensation to you Copies and/or originals of such data must be provided to us upon our request We hereby license use of such data back to you for the term of this Agreement, at no additional cost, solely for your use in connection with the business franchised under this Agreement

20.3 Privacy

You shall abide by all applicable laws pertaining to privacy of information collected or maintained regarding customers or other individuals ("Privacy"), and shall comply with our standards and policies pertaining to Privacy If there is a conflict between our standards and policies pertaining to Privacy and applicable law, you shall (a) comply with the requirements of applicable law, (b) immediately give us written notice of said conflict, and (c) promptly and fully cooperate with us and our counsel as we may request to assist us in our determination regarding the most effective way, if any, to meet our standards and policies pertaining to Privacy within the bounds of applicable law

20 4 Telecommunications

You shall comply with our requirements (as set forth in the Manual or otherwise in writing) with respect to establishing and maintaining telecommunications connections between your Computer System and our Extranet (as defined below), if any, and/or such other computer systems as we may reasonably require

20 5 Extranet

We may establish a website providing private and secure communications between us, you, franchisees, licensees and other persons and entities as determined by us, in our sole discretion (an "Extranet") You shall comply with our requirements (as set forth in the Manual or otherwise in writing) with respect to connecting to the Extranet, and utilizing the Extranet in connection with the operation of the Restaurant The Extranet may include, without limitation, the Manuals, training other assistance materials, and management reporting solutions (both upstream and downstream, as we may direct) You shall purchase and maintain such computer software and hardware as may be required to connect to and utilize the Extranet

20 6 On-line Use of Proprietary Marks

You shall not use the Proprietary Marks or any abbreviation or other name associated with us and/or the System as part of any e-mail address, domain name, and/or other identification of you in any electronic medium You agree not to transmit or cause any other party to transmit advertisements or solicitations by e-mail or other electronic media without our prior written consent as to your plan for transmitting such advertisements

20 7 No Outsourcing Without Prior Written Consent

You shall not hire third party or outside vendors to perform any services or obligations in connection with the Computer System, Required Software, or any other of your obligations without our prior written approval therefor, unless we have designated an approved supplier to provide such services Our consideration of any proposed outsourcing vendor(s) may be conditioned upon, among other things, such third party or outside vendor's entry into a confidentiality agreement with us and you in a form that is reasonably provided by us

20 8 Changes to Technology

You and we acknowledge and agree that changes to technology are dynamic and not predictable within the term of this Agreement In order to provide for inevitable but unpredictable changes to technological needs and opportunities, you agree that we shall have the right to establish, in writing, reasonable new standards for the implementation of technology in the System, and you agree that you shall abide by those reasonable new standards established by us as if this Article 20 were periodically revised by us for that purpose You acknowledge and understand that this Agreement does not place any limitations on either our right to require you to obtain Computer Upgrades or the cost of such Computer Upgrades

ARTICLE 21
SECURITY INTERESTS

21 1 Collateral

You grant to us a security interest ("Security Interest") in all of the furniture, fixtures, equipment, signage, and realty (including your interests under all real property and personal property leases) of the Restaurant, together with all similar property now owned or hereafter acquired, additions, substitutions, replacements, proceeds, and products thereof, wherever located, used in connection with the Restaurant All items in which a security interest is granted are referred to as the "Collateral"

21 2 Indebtedness Secured

The Security Interest is to secure payment of the following (the "Indebtedness")

21 2 1 All amounts due under this Agreement or otherwise by you,

21 2 2 All sums which we may, at our option, expend or advance for the maintenance, preservation, and protection of the Collateral, including, without limitation, payment of rent, taxes, levies, assessments, insurance premiums, and discharge of liens, together with interest, or any other property given as security for payment of the Indebtedness,

21 2 3 All expenses, including reasonable attorneys' fees, which we incur in connection with collecting any or all Indebtedness secured hereby or in enforcing or protecting our rights under the Security Interest and this Agreement, and

21 2 4 All other present or future, direct or indirect, absolute or contingent, liabilities, obligations, and indebtedness of you to us or third parties under this Agreement, however created, and specifically including all or part of any renewal or extension of this Agreement, whether or not you execute any extension agreement or renewal instruments

21 3 Additional Documents

You will from time to time as required by us join with us in executing any additional documents and one or more financing statements pursuant to the Uniform Commercial Code (and any assignments, extensions, or modifications thereof) in form satisfactory to us

21 4 Possession of Collateral

Upon default and termination of your rights under this Agreement, we shall have the immediate right to possession and use of the Collateral

21 5 Our Remedies in Event of Default

You agree that, upon the occurrence of any default set forth above, the full amount remaining unpaid on the Indebtedness secured shall, at our option and without notice, become due and payable immediately, and we shall then have the rights, options, duties, and remedies of a secured party under, and you shall have the rights and duties of a debtor under, the Uniform Commercial Code of Maryland (or other applicable law), including, without limitation, our right to take possession of the Collateral and without legal process to enter any premises where the Collateral may be found Any sale of the Collateral may be conducted by us in a commercially reasonable manner Reasonable notification of the time and place of any sale shall be satisfied by mailing to you pursuant to the notice provisions set forth above

21 6 Special Filing as Financing Statement

This Agreement shall be deemed a Security Agreement and a Financing Statement This Agreement may be filed for record in the real estate records of each county in which the Collateral, or any part thereof, is situated and may also be filed as a Financing Statement in the counties or in the office of the Secretary of State, as appropriate, in respect of those items of Collateral of a kind or character defined in or subject to the applicable provisions of the Uniform Commercial Code as in effect in the appropriate jurisdiction

ARTICLE 22
YOUR REPRESENTATIONS AND ACKNOWLEDGMENTS

22 1 Your Representations

You represent and warrant to us, with the intention that we are relying thereon in entering into this Agreement, that

22 1 1 If you are a corporation, limited liability company, general partnership, partnership, or limited partnership, then you are organized under the laws of the state of your principal place of business (or another state which you have identified to us) and are in good standing with and qualified to do business in each state and political/governmental subdivision having jurisdiction over the Restaurant

22 1 2 If you are a corporation, limited liability company, general partnership, partnership, or limited partnership, you have all corporate power and authority to execute, deliver, consummate and perform this Agreement, and it will be binding upon you and your successors and assigns when executed

22 1 3 You do not have any material liabilities, adverse claims, commitments or obligations of any nature as of the date of execution of this Agreement, whether accrued, unliquidated, absolute, contingent or otherwise which are not reflected as liabilities on the balance sheets of your current financial statements, which you have furnished to us before the execution of this Agreement

22 1 4 As of the date of execution of this Agreement, there are no actions, suits, proceedings or investigations pending or, to your knowledge or the knowledge any of your officers, directors, principal shareholders, proprietors, partners or principals (as applicable) after due inquiry, threatened, in any court or arbitral forum, or before any governmental agency or instrumentality, nor to the best of your knowledge or the knowledge of any such persons or entities (after due inquiry) is there any basis for any claim, action, suit, proceeding or investigation which affects or could affect, directly or indirectly, any of your assets, properties, rights or business, your right to operate and use your assets,

properties or rights to carry on your business, and/or which affects or could affect your right to assume and carry out in all respects the duties, obligations and responsibilities specified in this Agreement

22 1 5 Neither you nor any of your Principals is a party to any contract, agreement, covenant not to compete or other restriction of any type which may conflict with, or be breached by, the execution, delivery, consummation and/or performance of this Agreement

22 1 6 All of your representations and warranties contained in this Agreement are complete, correct and accurate as of the date of execution of this Agreement and will survive any termination or expiration of this Agreement

22 2 Your Acknowledgments

You acknowledge, warrant and represent to us and we rely on such acknowledgments, warranties and representations that

22 2 1 No representation has been made by us (or any of our employees, agents or salespersons) and relied on by you as to the future or past income, expenses, sales volume or potential profitability, earnings or income of the Restaurant, or any other Boardwalk Fries Burgers Shakes Restaurant, whether owned by us, our affiliates or our franchisees We make no guaranties, promises, representations, statements or warranties that you can or will achieve any level or range of sales, income or other measures of performance

Initials

22 2 2 No representation or statement has been made by us (or any of our employees, agents or salespersons) and relied on by you regarding your anticipated income, earnings and growth or that of us or the Boardwalk Fries Burgers Shakes System, or the viability of the business opportunity being offered under this Agreement

Initials

22 2 3 Before executing this Agreement, you have had the opportunity to contact any and all of our existing franchisees

Initials

22 2 4 You have had the opportunity to independently investigate, analyze and construe both the business opportunity being offered under this Agreement, and the terms and provisions of this Agreement, using the services of legal counsel, accountants or other advisers (if you so elect) of your choosing You have been advised to consult with your advisors with respect to the legal, financial and other aspects of this Agreement, the Restaurant, and the prospects for the Restaurant You have either consulted with these advisors or have deliberately declined to do so

Initials

22 2 5 You have received from us a copy of our Franchise Disclosure Document, together with a copy of all proposed agreements relating to the sale of the franchise at least fourteen (14) calendar days before the execution of this Agreement or at least fourteen (14) calendar days before the payment by you to us of any consideration in connection with the sale or proposed sale of the franchise granted by this Agreement

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Initials

22 2 6 No representation or statement has been made by us (or any of our employees, agents or salespersons) and relied on by you regarding your ability to procure any required license or permit that may be necessary to the operation of the Restaurant

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Initials

22 2 7 You affirm that all information set forth in all applications, financial statements and submissions to us are true, complete and accurate in all respects, and you expressly acknowledge that we are relying on the truthfulness, completeness and accuracy of this information

____

Initials

22 2 8 Attached hereto as Exhibit J is a Franchisee Disclosure Acknowledgment Statement You shall have received and answer the questions thereon, relating to representations that have or have not been made to you You have executed the Statement voluntarily and attached it hereto

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Initials

22 2 9 You understand and agree that we may manage and change the System and our business in any manner that is not expressly prohibited by this Agreement Whenever we have the right within this Agreement to take or withhold action or to grant or decline to you the right to take or withhold action, we may make such a decision on the basis of our business judgment of what is in our best interests and those of the System and the franchise network, without regard to whether other reasonable alternative decisions exist or whether our decision adversely affects you Absent applicable statute, we shall have no liability for such a decision and you agree that our decision will not be subject to limitation or review If applicable law implies a covenant of good faith and fair dealing in this Agreement, you agree that such a covenant shall not imply any rights or obligations that are inconsistent with a fair construction of the terms of this Agreement and that this Agreement grants to us the right to make decisions, take actions and/or refrain from taking actions not inconsistent with your rights and obligations hereunder

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Initials

22 2 10 Although we retain the right to establish and periodically modify System standards, which you have agreed to maintain in the operation of the Franchised Restaurant, you retain the right and sole responsibility for the day-to-day management and operation of the Restaurant and the implementation and maintenance of System standards at the Restaurant

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Initials

22 2 11 You acknowledge and agree that we may modify the offer of our franchises to other franchisees in any manner and at any time, which offers and agreements have or may have terms, conditions, and obligations that may differ from the terms, conditions, and obligations in this Agreement

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Initials

22 2 12 You acknowledge that the success of the business venture contemplated under this Agreement is speculative and depends, to a large extent, upon your ability as an independent businessperson, your active participation in the daily affairs of the business, market conditions, area competition, availability of product, quality of services provided as well as other factors We do not make any representation or warranty express or implied as to the potential success of the business venture contemplated hereby

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Initials

IN WITNESS WHEREOF, each of the parties hereto has caused this Agreement to be executed by its duly authorized representative as of the date first above written

FRANCHISOR
BOARDWALK FRESH BURGERS AND FRIES, INC , a Delaware corporation
T/A Boardwalk Fries Burgers Shakes

ATTEST

____
Witness

By ____________________
Name ____________________
Title ____________________
Accepted On ________________
(the "Effective Date")

FRANCHISEE

____

____
Witness

By ____________________
Name ____________________
Title ____________________
Date ____________________

CONTROLLING PRINCIPALS

Each of the undersigned acknowledges and agrees as follows

1 Each has read the terms and conditions of the Franchise Agreement and acknowledges that the execution of this guaranty and the undertakings of the Controlling Principals in the Franchise Agreement are in partial consideration for, and a condition to, the granting of this license, and that Franchisor would not have granted this license without the execution of this guaranty and such undertakings by each of the undersigned,

2 Each is included in the term "Controlling Principals" as described in Section 19 18 of the Franchise Agreement,

3 Each individually, jointly and severally, makes all of the covenants, representations, warranties and agreements of the Controlling Principals set forth in the Franchise Agreement and is obligated to perform thereunder, and

4 Each individually, jointly and severally, unconditionally and irrevocably guarantees to Franchisor and its successors and assigns that all of Franchisee's obligations under the Franchise Agreement will be punctually paid and performed Upon default by Franchisee or upon notice from Franchisor, each will immediately make each payment and perform each obligation required of Franchisee under the Franchise Agreement Without affecting the obligations of any of the Controlling Principals under this guaranty, Franchisor may, without notice to the Controlling Principals, waive, renew, extend, modify, amend or release any indebtedness or obligation of Franchisee or settle, adjust or compromise any claims that Franchisor may have against Franchisee Each of the Controlling Principals waives all demand and notices of every kind with respect to the enforcement of this guaranty, including, without limitation, notice of presentment, demand for payment or performance by Franchisee, any default by Franchisee or any guarantor and any release of any guarantor or other security for this guaranty or the obligations of Franchisee Franchisor may pursue its rights against any of the Controlling Principals, jointly or severally, without first exhausting its remedies against Franchisee and without joining any other guarantor hereto and no delay on the part of Franchisor in the exercise of any right or remedy shall operate as a waiver of such right or remedy, and no single or partial exercise by Franchisor of any right or remedy shall preclude the further exercise of such right or remedy Upon receipt by Franchisor of notice of the death of any of the Controlling Principals, the estate of the deceased will be bound by the foregoing guaranty, but only for defaults and obligations under the Franchise Agreement existing at the time of death, and in such event, the obligations of the remaining Controlling Principals shall continue in full force and effect

ATTEST

CONTROLLING PRINCIPALS

______________________ Witness	______________________ Name ______________________
______________________ Witness	______________________ Name ______________________
______________________ Witness	______________________ Name ______________________
______________________ Witness	______________________ Name ______________________

ATTACHMENT A TO THE FRANCHISE AGREEMENT

ACCEPTED LOCATION AND TERRITORY

1 ACCEPTED LOCATION

Pursuant to Section 1 2 of the Franchise Agreement, the Restaurant shall be located at the following Accepted Location

2 TERRITORY

Pursuant to Section 1 4 of the Franchise Agreement, the Territory shall be

ATTACHMENT B TO THE FRANCHISE AGREEMENT

COLLATERAL ASSIGNMENT OF LEASE

FOR VALUE RECEIVED, the undersigned ("Assignor") assigns, transfers and sets over to Boardwalk Fresh Burgers and Fries, Inc , a Delaware corporation ("Assignee"), t/a Boardwalk Fries Burgers Shakes, all of Assignor's right and title to and interest in that certain "Lease" a copy of which is attached as Exhibit A respecting premises commonly known as ______________________________
This assignment is for collateral purposes only and except as specified in this document Assignee will have no liability or obligation of any kind whatsoever arising from or in connection with this assignment or the Lease unless and until Assignee takes possession of the premises the Lease demises according to the terms of this document and assumes Assignor's obligations under the Lease

Assignor represents and warrants to Assignee that it has full power and authority to assign the Lease and that Assignor has not previously assigned or transferred and is not otherwise obligated to assign or transfer any of its interest in the Lease or the premises it demises

Upon Assignor's default under the Lease or under the "Franchise Agreement" for a Boardwalk Fries Burgers Shakes Restaurant between Assignee and Assignor or in the event Assignor defaults under any document or instrument securing the Franchise Agreement Assignee has the right to take possession of the premises the Lease demises and expel Assignor from the premises In that event Assignor will have no further right and title to or interest in the Lease but will remain liable to Assignee for any past due rental payments or other charges Assignee is required to pay Lessor to effectuate the assignment this document contemplates

Assignor agrees that it will not suffer or permit any surrender, termination, amendment or modification of the Lease without Assignee's prior written consent Throughout the term of the Franchise Agreement Assignor agrees that it will elect and exercise all options to extend the term of or renew the Lease not less than thirty (30) days before the last day upon which the option must be exercised unless Assignee agrees otherwise in writing Upon Assignee's failure to agree otherwise in writing and upon Assignor's failure to elect to extend or renew the Lease as required Assignor appoints Assignee as its true and lawful attorney-in-fact with the authority to exercise the extension or renewal options in the name, place and stead of Assignor for the sole purpose of effecting the extension or renewal

ASSIGNEE	ASSIGNOR
BOARDWALK FRESH BURGERS AND FRIES, INC t/a Boardwalk Fries Burgers Shakes	______________________________
By ______________________________	By ______________________________
Name ______________________________	Name ______________________________
Title ______________________________	Title ______________________________
Date ______________________________	Date ______________________________

CONSENT TO COLLATERAL ASSIGNMENT AND AGREEMENT OF LESSOR

The undersigned Lessor under the Lease

(a) Agrees to notify Assignee in writing of and upon Assignor's failure to cure any default by Assignor under the Lease,

(b) Agrees that Assignee will have the right, but not the obligation, to cure any default by Assignor under the Lease within thirty (30) days after Lessor's delivery of notice of the default under section (a) above,

(c) Consents to the Collateral Assignment and agrees that if Assignee takes possession of the premises the Lease demises and confirms to Lessor that it has assumed the Lease as tenant, Lessor will recognize Assignee as tenant under the Lease, provided that Assignee cures within the thirty (30) day period noted in section (b) above Assignor's defaults under the Lease, and

(d) Agrees that Assignee may further assign the Lease to or enter into a sublease with a person, firm or corporation who agrees to assume the tenant's obligations under the Lease and is reasonably acceptable to Lessor and that upon that assignment Assignee will have no further liability or obligation under the Lease as assignee, tenant or otherwise, other than to certify that the additional assignee or sublessee operates the premises the Lease demises as a Boardwalk Fries Burgers Shakes Restaurant

Dated ____________________

____

________________________________, Lessor

ATTACHMENT C TO THE FRANCHISE AGREEMENT

STATEMENT OF OWNERSHIP INTERESTS AND FRANCHISEE'S PRINCIPALS

A The following is a list of all shareholders, partners or other investors in Franchisee, including all investors who own or hold a direct or indirect interest in Franchisee, and a description of the nature of their interest

Name	Percentage of Ownership/Nature of Interest

B In addition to the persons listed in paragraph A , the following is a list of all of Franchisee's Principals described in and designated pursuant to Section 19 18 of the Franchise Agreement Unless designated as a Controlling Principal, each of Franchisee's Principals shall execute the Confidentiality Agreement and Ancillary Covenants Not to Compete substantially in the form set forth in Attachment D (see Sections 10 2 2 and 10 3 4 of the Franchise Agreement)

ATTACHMENT D TO THE FRANCHISE AGREEMENT

<u>CONFIDENTIALITY AND NON-COMPETITION AGREEMENT</u>
(for trained employees, shareholders, officers, directors, general partners, members and managers of Franchisee)

In consideration of my being a ______________________ of __________________, and other good and valuable consideration, the receipt and sufficiency of which is acknowledged, I hereby acknowledge and agree that

1 Pursuant to a Franchise Agreement dated ______________, 20___ (the "Franchise Agreement"), ____________ (the "Franchisee"), has acquired the right and franchise from Boardwalk Fresh Burgers and Fries, Inc (the "Company") to establish and operate a Boardwalk Fries Burgers Shakes Restaurant (the "Franchised Business") and the right to use in the operation of the Franchised Business the Company's trade names, service marks, trademarks, logos, emblems, and indicia of origin (the "Proprietary Marks"), as they may be changed, improved and further developed from time to time in the Company's sole discretion, only at the following authorized and Accepted Location _________________________ (the "Accepted Location")

2 The Company, as the result of the expenditure of time, skill, effort and resources has developed and owns a distinctive format and system (the "System") relating to the establishment and operation of Franchised Businesses offering French fries, fresh hamburger sandwiches and fountain products The Company possesses certain proprietary and confidential information relating to the operation of the System, which includes certain proprietary trade secrets, recipes, methods, techniques, formats, specifications, systems, procedures, methods of business practices and management, sales and promotional techniques and knowledge of, and experience in, the operation of the Franchised Business (the "Confidential Information")

3 Any and all information, knowledge, know-how, and techniques which the Company specifically designates as confidential shall be deemed to be Confidential Information for purposes of this Agreement

4 As _______ of the Franchisee, the Company and Franchisee will disclose the Confidential Information to me in furnishing to me training programs, the Company's Confidential Operations Manuals (the "Manuals"), and other general assistance during the term of the Franchise Agreement

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

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

has become generally known or easily accessible other than by the breach of an obligation of Franchisee under the Franchise Agreement

7 Except as otherwise approved in writing by the Company, I shall not, while in my position with the Franchisee, either directly or indirectly for myself, or through, on behalf of, or in conjunction with any person, persons, partnership, or corporation, own, maintain, operate, engage in, act as a consultant for, perform services for, or have any interest in any food service business which (a) is the same as, or substantially similar to, a Franchised Business, or (b) offers to sell or sells any products or services which are the same as, or substantially similar to, any of the products offered by a Franchised Business where the sale of such products constitutes or is intended to constitute twenty percent (20%) or more of the gross sales of the business operated or intended to be operated (a "Competitive Business"), and for a continuous uninterrupted period commencing upon the cessation or termination of my position with Franchisee, regardless of the cause for termination, or upon the expiration, termination, transfer, or assignment of the Franchise Agreement, whichever occurs first, and continuing for two (2) years thereafter, either directly or indirectly, for myself, or through, on behalf of, or in conjunction with any person, persons, partnership, or corporation, own, maintain, operate, engage in, act as a consultant for, perform services for, or have any interest in any Competitive Business that is, or is intended to be, located at or within

7 1 Franchisee's Territory, as defined in the Franchise Agreement ("Franchisee's Territory"),

7 2 Twenty-five (25) miles of Franchisee's Territory, or

7 3 Twenty-five (25) miles of any Franchised Business operating under the System and the Proprietary Marks

The prohibitions in this Paragraph 7 do not apply to my interests in or activities performed in connection with a Franchised Business This restriction does not apply to my ownership of less than five percent (5%) beneficial interest in the outstanding securities of any publicly held corporation

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

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

10 The Company is a third-party beneficiary of this Agreement and may enforce it, solely and/or jointly with the Franchisee I am aware that my violation of this Agreement will cause the Company and the Franchisee irreparable harm, therefore, I acknowledge and agree that the Franchisee and/or the Company may apply for the issuance of an injunction preventing me from violating this Agreement, and I agree to pay the Franchisee and the Company all the costs it/they incur(s), including, without limitation, legal fees and expenses, if this Agreement is enforced against me Due to the importance of this Agreement to the Franchisee and the Company, any claim I have against the

Franchisee or the Company is a separate matter and does not entitle me to violate, or justify any violation of this Agreement

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

____
Signature

____
Name

____
Address

____
Title

ACKNOWLEDGED BY FRANCHISEE

By ______________________________

Name ______________________________

Title ______________________________

ATTACHMENT E TO THE FRANCHISE AGREEMENT
ELECTRONIC TRANSFER AUTHORIZATION

AUTHORIZATION TO HONOR CHARGES DRAWN BY AND PAYABLE TO BOARDWALK FRESH BURGERS AND FRIES, INC ("COMPANY") T/A BOARDWALK FRIES BURGERS SHAKES

Depositor hereby authorizes and requests ______________________________________ (the "Depository") to initiate debit and credit entries to Depositor's ☐ checking or ☐ savings account (select one) indicated below drawn by and payable to the order of Boardwalk Fresh Burgers and Fries, Inc , t/a Boardwalk Fries Burgers Shakes, by Electronic Funds Transfer, provided there are sufficient funds in said account to pay the amount upon presentation

Depositor agrees that the Depository's rights with respect to each such charge shall be the same as if it were a check drawn by the Depository and signed by Depositor Depositor further agrees that if any such charge is dishonored, whether with or without cause and whether intentionally or inadvertently, the Depository shall be under no liability whatsoever

Depository Name ____

City ____________________________ State ________ Zip Code ___________

Transit/ABA Number ___________________________ Account Number ________________

This authority is to remain in full force and effect until Company has received written notification from me (or either of us) of its termination in such time and in such manner to afford Company and Depository a responsible opportunity to act on such request

Depositor (Please Print)

____

____

____

Date Signed

____

____

Signature(s) of Depositor, as Printed Above

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

ATTACHMENT F TO THE FRANCHISE AGREEMENT

INTERNET WEB SITES AND LISTINGS AGREEMENT

THIS INTERNET WEB SITES AND LISTINGS AGREEMENT (the "Internet Listing Agreement") is made and entered into as of the _____ day of _______________, 20___ (the "Effective Date"), by and between Boardwalk Fresh Burgers and Fries, Inc , a Delaware corporation, t/a Boardwalk Fries Burgers Shakes (the "Franchisor"), and ________________________, a _________________ (the "Franchisee")

WITNESSETH

WHEREAS, Franchisee desires to enter into a Franchise Agreement with Franchisor for a "Boardwalk Fries Burgers Shakes" Restaurant (the "Franchise Agreement"), and

WHEREAS, Franchisor would not enter into the Franchise Agreement without Franchisee's agreement to enter into, comply with, and be bound by all the terms and provisions of this Internet Listing Agreement,

NOW, THEREFORE, for and in consideration of the foregoing and the mutual promises and covenants contained herein, and in further consideration of the Franchise Agreement and the mutual promises and covenants contained therein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows

1 **DEFINITIONS**

All terms used but not otherwise defined in this Internet Listing Agreement shall have the meanings set forth in the Franchise Agreement "Termination" of the Franchise Agreement shall include, but shall not be limited to, the voluntary termination, involuntary termination, or natural expiration thereof

2 **TRANSFER, APPOINTMENT**

2 1 Interest in Internet Web Sites and Listings Franchisee may acquire (whether in accordance with or in violation of the Franchise Agreement) during the term of the Franchise Agreement, certain right, title, and interest in and to certain domain names, hypertext markup language, uniform resource locator addresses, and access to corresponding Internet web sites, and the right to hyperlink to certain web sites and listings on various Internet search engines (collectively, the "Internet Web Sites and Listings") related to the Restaurant or the Marks (all of which right, title, and interest is referred to herein as "Franchisee's Interest")

2 2 Transfer On Termination of the Franchise Agreement, or on periodic request of Franchisor, Franchisee will immediately direct all Internet Service Providers, domain name registries, Internet search engines, and other listing agencies (collectively, the "Internet Companies") with which Franchisee has Internet Web Sites and Listings (i) to transfer all of Franchisee's Interest in such Internet Web Sites and Listings to Franchisor, and (ii) to execute such documents and take such actions as may be necessary to effectuate such transfer In the event Franchisor does not desire to accept any or all such Internet Web Sites and Listings, Franchisee will immediately direct the Internet Companies to terminate such Internet Web Sites and Listings or will take such other actions with respect to the Internet Web Sites and Listings as Franchisor directs

2 3 Appointment, Power of Attorney Franchisee hereby constitutes and appoints Franchisor and any officer or agent of Franchisor, for Franchisor's benefit under the Franchise Agreement and this Internet Listing Agreement or otherwise, with full power of substitution, as Franchisee's true and lawful attorney-in-fact with full power and authority in Franchisee's place and stead, and in Franchisee's name or the name of any affiliated person or affiliated company of Franchisee, to take any and all appropriate action and to execute and deliver any and all documents that may be necessary or desirable to accomplish the purposes of this Internet Listing Agreement Franchisee further agrees that this appointment constitutes a power coupled with an interest and is irrevocable until Franchisee has satisfied all of its obligations under the Franchise Agreement and any and all other agreements to which Franchisee and any of its affiliates on the one hand, and Franchisor and any of its affiliates on the other, are parties, including without limitation this Internet Listing Agreement Without limiting the generality of the foregoing, Franchisee hereby grants to Franchisor the power and right to do the following

2 3 1 Direct the Internet Companies to transfer all Franchisee's Interest in and to the Internet Web Sites and Listings to Franchisor,

2 3 2 Direct the Internet Companies to terminate any or all of the Internet Web Sites and Listings, and

2 3 3 Execute the Internet Companies' standard assignment forms or other documents in order to affect such transfer or termination of Franchisee's Interest

2 4 Certification of Termination Franchisee hereby directs the Internet Companies to accept, as conclusive proof of Termination of the Franchise Agreement, Franchisor's written statement, signed by an officer or agent of Franchisor, that the Franchise Agreement has terminated

2 5 Cessation of Obligations After the Internet Companies have duly transferred all Franchisee's Interest in such Internet Web Sites and Listings to Franchisor, as between Franchisee and Franchisor, Franchise will have no further interest in, or obligations under, such Internet Web Sites and Listings Notwithstanding the foregoing, Franchisee will remain liable to each and all of the Internet Companies for the sums Franchisee is obligated to pay such Internet Companies for obligations Franchisee incurred before the date Franchisor duly accepted the transfer of such Interest, or for any other obligations not subject to the Franchise Agreement or this Internet Listing Agreement

3 MISCELLANEOUS

3 1 Release Franchisee hereby releases, remises, acquits, and forever discharges each and all of the Internet Companies and each and all of their parent corporations, subsidiaries, affiliates, directors, officers, stockholders, employees, and agents, and the successors and assigns of any of them, from any and all rights, demands, claims, damage, losses, costs, expenses, actions, and causes of action whatsoever, whether in tort or in contract, at law or in equity, known or unknown, contingent or fixed, suspected or unsuspected, arising out of, asserted in, assertable in, or in any way related to this Internet Listing Agreement

3 2 Indemnification Franchisee is solely responsible for all costs and expenses related to its performance, its nonperformance, and Franchisor's enforcement of this Agreement, which costs and expenses Franchisee will pay Franchisor in full, without defense or setoff, on demand Franchisee agrees that it will indemnify, defend, and hold harmless Franchisor and its affiliates, and its and their directors, officers, shareholders, partners, members, employees, agents, and attorneys, and the successors and assigns of any and all of them, from and against, and will reimburse Franchisor and any and all of them

for, any and all loss, losses, damage, damages, claims, debts, claims, demands, or obligations that are related to or are based on this Internet Listing Agreement

3 3 <u>No Duty</u> The powers conferred on Franchisor hereunder are solely to protect Franchisor's interests and shall not impose any duty on Franchisor to exercise any such powers Franchisee expressly agrees that in no event shall Franchisor be obligated to accept the transfer of any or all of Franchisee's Interest in any or all such Internet Web Sites and Listings

3 4 <u>Further Assurances</u> Franchisee agrees that at any time after the date of this Internet Listing Agreement, Franchisee will perform such acts and execute and deliver such documents as may be necessary to assist in or accomplish the purposes of this Internet Listing Agreement

3 5 <u>Successors, Assigns, and Affiliates</u> All Franchisor's rights and powers, and all Franchisee's obligations, under this Internet Listing Agreement shall be binding on Franchisee's successors, assigns, and affiliated persons or entities as if they had duly executed this Internet Listing Agreement

3 6 <u>Effect on Other Agreements</u> Except as otherwise provided in this Internet Listing Agreement, all provisions of the Franchise Agreement and exhibits and schedules thereto shall remain in effect as set forth therein

3 7 <u>Survival</u> This Internet Listing Agreement shall survive the Termination of the Franchise Agreement

3 8 <u>Joint and Several Obligations</u> All Franchisee's obligations under this Internet Listing Agreement shall be joint and several

3 9 <u>Governing Law</u> This Internet Listing Agreement shall be governed by and construed under the laws of the State of Maryland, without regard to the application of Maryland conflict of law rules

IN WITNESS WHEREOF, the undersigned have executed or caused their duly authorized representatives to execute this Agreement as of the Effective Date

FRANCHISOR

BOARDWALK FRESH BURGERS AND FRIES, INC
t/a Boardwalk Fries Burgers Shakes

By ______________________________
Name ____________________________
Title ____________________________

FRANCHISEE

If an Individual

Signature _________________________
Printed Name ______________________

If other than an Individual

____
[Insert Business Entity name]

By ______________________________
Name ____________________________
Title ____________________________

TELEPHONE LISTING AGREEMENT

THIS TELEPHONE LISTING AGREEMENT (the "Telephone Listing Agreement") is made and entered into as of the _____ day of ______________, 20___ (the "Effective Date"), by and between Boardwalk Fresh Burgers and Fries, Inc , a Delaware corporation, t/a Boardwalk Fries Burgers Shakes (hereinafter the "Franchisor"), and ____ (the "Franchisee")

WITNESSETH

WHEREAS, Franchisee desires to enter into a Franchise Agreement with Franchisor for the operation of a "Boardwalk Fries Burgers Shakes" Restaurant (the "Franchise Agreement"), and

WHEREAS, Franchisor would not enter into the Franchise Agreement without Franchisee's agreement to enter into, comply with, and be bound by all the terms and provisions of this Telephone Listing Agreement,

NOW, THEREFORE, for and in consideration of the foregoing and the mutual promises and covenants contained herein, and in further consideration of the Franchise Agreement and the mutual promises and covenants contained therein, and for other good and valuable consideration, the receipt and sufficiency of all of which are hereby acknowledged, the parties hereto agree as follows

1 DEFINITIONS

All terms used but not otherwise defined in this Telephone Listing Agreement shall have the meanings set forth in the Franchise Agreement "Termination" of the Franchise Agreement shall include, but shall not be limited to, the voluntary termination, involuntary termination, or natural expiration thereof

2 TRANSFER, APPOINTMENT

2 1 Interest in Telephone Numbers and Listings Franchisee has, or will acquire during the term of the Franchise Agreement, certain right, title, and interest in and to those certain telephone numbers and regular, classified, yellow-page, and other telephone directory listings (collectively, the "Telephone Numbers and Listings") related to the Restaurant or the Marks (all of which right, title, and interest is referred to herein as "Franchisee's Interest")

2 2 Transfer On Termination of the Franchise Agreement, if Franchisor directs Franchisee to do so, Franchisee will immediately direct all telephone companies, telephone directory publishers, and telephone directory listing agencies (collectively, the "Telephone Companies") with which Franchisee has Telephone Numbers and Listings (i) to transfer all Franchisee's Interest in such Telephone Numbers and Listings to Franchisor, and (ii) to execute such documents and take such actions as may be necessary to effectuate such transfer In the event Franchisor does not desire to accept any or all such Telephone Numbers and Listings, Franchisee will immediately direct the Telephone Companies to terminate such Telephone Numbers and Listings or will take such other actions with respect to the Telephone Numbers and Listings as Franchisor directs

2 3 Appointment, Power of Attorney Franchisee hereby constitutes and appoints Franchisor and any officer or agent of Franchisor, for Franchisor's benefit under the Franchise Agreement and this Telephone Listing Agreement or otherwise, with full power of substitution, as Franchisee's true and lawful attorney-in-fact with full power and authority in Franchisee's place and stead, and in Franchisee's

name or the name of any affiliated person or affiliated company of Franchisee, on Termination of the Franchise Agreement, to take any and all appropriate action and to execute and deliver any and all documents that may be necessary or desirable to accomplish the purposes of this Telephone Listing Agreement Franchisee further agrees that this appointment constitutes a power coupled with an interest and is irrevocable until Franchisee has satisfied all of its obligations under the Franchise Agreement and any and all other agreements to which Franchisee and any of its affiliates on the one hand, and Franchisor and any of its affiliates on the other, are parties, including, without limitation, this Telephone Listing Agreement Without limiting the generality of the foregoing, Franchisee hereby grants to Franchisor the power and right to do the following

2 3 1 Direct the Telephone Companies to transfer all Franchisee's Interest in and to the Telephone Numbers and Listings to Franchisor,

2 3 2 Direct the Telephone Companies to terminate any or all of the Telephone Numbers and Listings, and

2 3 3 Execute the Telephone Companies' standard assignment forms or other documents in order to affect such transfer or termination of Franchisee's Interest

2 4 <u>Certification of Termination</u> Franchisee hereby directs the Telephone Companies that they shall accept, as conclusive proof of Termination of the Franchise Agreement, Franchisor's written statement, signed by an officer or agent of Franchisor, that the Franchise Agreement has terminated

2 5 <u>Cessation of Obligations</u> After the Telephone Companies have duly transferred all Franchisee's Interest in such Telephone Numbers and Listings to Franchisor, as between Franchisee and Franchisor, Franchisee will have no further Interest in, or obligations under, such Telephone Numbers and Listings Notwithstanding the foregoing, Franchisee will remain liable to each and all of the Telephone Companies for the sums Franchisee is obligated to pay such Telephone Companies for obligations Franchisee incurred before the date Franchisor duly accepted the transfer of such Interest, or for any other obligations not subject to the Franchise Agreement or this Telephone Listing Agreement

3 <u>MISCELLANEOUS</u>

3 1 <u>Release</u> Franchisee hereby releases, remises, acquits, and forever discharges each and all of the Telephone Companies and each and all of their parent corporations, subsidiaries, affiliates, directors, officers, stockholders, employees, and agents, and the successors and assigns of any of them, from any and all rights, demands, claims, damage, losses, costs, expenses, actions, and causes of action whatsoever, whether in tort or in contract, at law or in equity, known or unknown, contingent or fixed, suspected or unsuspected, arising out of, asserted in, assertable in, or in any way related to this Telephone Listing Agreement

3 2 <u>Indemnification</u> Franchisee is solely responsible for all costs and expenses related to Franchisee's performance, Franchisee's nonperformance, and Franchisor's enforcement of this Agreement, which costs and expenses Franchisee will pay Franchisor in full, without defense or setoff, on demand Franchisee agrees that it will indemnify, defend, and hold harmless Franchisor and its affiliates, and the directors, officers, shareholders, partners, members, employees, agents, and attorneys of Franchisor and its affiliates, and the successors and assigns of any and all of them, from and against, and will reimburse Franchisor and any and all of them for, any and all loss, losses, damage, damages, claims, debts, claims, demands, or obligations that are related to or are based on this Telephone Listing Agreement

3 3 No Duty The powers conferred on Franchisor under this Telephone Listing Agreement are solely to protect Franchisor's interests and shall not impose any duty on Franchisor to exercise any such powers Franchisee expressly agrees that in no event shall Franchisor be obligated to accept the transfer of any or all of Franchisee's Interest in any or all such Telephone Numbers and Listings

3 4 Further Assurances Franchisee agrees that at any time after the date hereof, it will perform such acts and execute and deliver such documents as may be necessary to assist in or accomplish the purposes of this Telephone Listing Agreement

3 5 Successors, Assigns, and Affiliates All Franchisor's rights and powers, and all Franchisee's obligations, under this Telephone Listing Agreement shall be binding on Franchisee's successors, assigns, and affiliated persons or entities as if they had duly executed this Telephone Listing Agreement

3 6 Effect on Other Agreements Except as otherwise provided in this Telephone Listing Agreement, all provisions of the Franchise Agreement and exhibits and schedules thereto shall remain in effect as set forth therein

3 7 Survival This Telephone Listing Agreement shall survive the Termination of the Franchise Agreement

3 8 Joint and Several Obligations All Franchisee's obligations under this Telephone Listing Agreement shall be joint and several

3 9 Governing Law This Telephone Listing Agreement shall be governed by and construed under the laws of the State of Maryland without regard to the application of Maryland conflict of law rules

IN WITNESS WHEREOF, the parties hereto have duly executed and delivered this Telephone Listing Agreement as of the Effective Date

FRANCHISOR

BOARDWALK FRESH BURGERS AND FRIES, INC
T/A Boardwalk Fries Burgers Shakes

By ______________________________
Name ____________________________
Title ____________________________

FRANCHISEE

If an Individual

Signature ________________________
Printed Name _____________________

If other than an Individual

____
[insert Business Entity name]

By ______________________________
Name ____________________________
Title ____________________________

ATTACHMENT G TO THE FRANCHISE AGREEMENT

<u>POWER OF ATTORNEY (TAX)</u>

IRREVOCABLE POWER OF ATTORNEY

STATE OF _______________)
)
COUNTY OF _____________)

KNOW ALL MEN BY THESE PRESENTS

That _______________, a ___________________ ("Franchisee"), does hereby irrevocably constitute and appoint Boardwalk Fresh Burgers and Fries, Inc , a Delaware corporation, t/a Boardwalk Fries Burgers Shakes ("Franchisor"), true and lawful attorney-in-fact and agent for Franchisee and in Franchisee's name, place and stead to do or cause to be done all things and to sign, execute, acknowledge, certify, deliver, accept, record and file all such agreements, certificates, instruments and documents as, in the sole discretion of Franchisor, shall be necessary or advisable for the sole purpose of obtaining any and all returns, records, reports and other documentation relating to the payment of taxes filed by Franchisee with any state and/or federal taxing authority, including, but not limited to, the State Comptroller of the State of _______, hereby granting unto Franchisor full power and authority to do and perform any and all acts and things which, in the sole discretion of Franchisor, are necessary or advisable to be done as fully to all intents and purposes as Franchisee might or could itself do, hereby ratifying and confirming all that Franchisor may lawfully do or cause to be done by virtue of this Power of Attorney and the powers herein granted

During the term of this Power of Attorney, and regardless of whether Franchisee has designated any other person to act as its attorney-in-fact and agent, no governmental agency, person, firm or corporation dealing with Franchisor, if acting in good faith, shall be required to ascertain the authority of Franchisor, nor to see to the performance of the agency, nor be responsible in any way for the proper application of documents delivered or funds or property paid or delivered to Franchisor Any governmental agency, person, firm or corporation dealing with Franchisor shall be fully protected in acting and relying on a certificate of Franchisor that this Power of Attorney on the date of such certificate has not been revoked and is in full force and effect, and Franchisee shall not take any action against any person, firm, corporation or agency acting in reliance on such a certificate or a copy of this Power of Attorney Any instrument or document executed on behalf of Franchisee by Franchisor shall be deemed to include such a certificate on the part of Franchisor, whether or not expressed This paragraph shall survive any termination of this Power of Attorney

This Power of Attorney shall terminate two (2) years following the expiration or termination of that certain Franchise Agreement dated as of _______________, 20___ by and between Franchisor and Franchisee Such termination, however, shall not affect the validity of any act or deed that Franchisor may have effected prior to such date pursuant to the powers herein granted

This instrument is to be construed and interpreted as an irrevocable power of attorney coupled with an interest It is executed and delivered in the State of _______ and the laws of the State of _______ shall govern all questions as to the validity of this Power of Attorney and the construction of its provisions

IN WITNESS WHEREOF, the undersigned has executed this Power of Attorney as of the _____ day of _______________, 20__

________________________________, a
____

By ____________________________
Name __________________________
Title ___________________________

STATE OF _______________)
)
COUNTY OF _____________)

BEFORE ME, the undersigned authority, on this day personally appeared _________________, ______________ of ____________________, known to me to be the person whose name is subscribed to the foregoing instrument, who acknowledged to me that s/he executed the same for the purposes and consideration therein expressed and in the capacity therein stated

GIVEN UNDER MY HAND AND SEAL OF OFFICE this _____ day of ____________, 20__

(SEAL)

____
Notary Public in and for
The State of _______________

My commission expires

____

ATTACHMENT H TO THE FRANCHISE AGREEMENT

STATE SPECIFIC ADDENDUM

ADDENDUM TO BOARDWALK FRESH BURGERS AND FRIES, INC ,
T/A Boardwalk Fries, Burgers, Shakes
DISCLOSURE DOCUMENT REQUIRED BY THE STATE OF CALIFORNIA

CALIFORNIA APPENDIX

1 California Business and Professions Code Sections 20000 through 20043 provide rights to you concerning termination or non-renewal of a franchise If the Franchise Agreement or Multi-Unit Operator Agreement contains provisions that are inconsistent with the law, the law will control

2 The Franchise Agreement and Multi-Unit Operator Agreement provide for termination upon bankruptcy This provision may not be enforceable under Federal Bankruptcy Law (11 U S C A Sec 101 et seq)

3 The Franchise Agreement and Multi-Unit Operator Agreement contain covenants not to compete which extend beyond the termination of the agreements These provisions may not be enforceable under California law

4 Section 31125 of the California Corporation Code requires the franchisor to provide you with a disclosure document before asking you to agree to a material modification of an existing franchise

5 Neither the franchisor, any person or franchise broker in Item 2 of the Disclosure Document is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities Exchange Act of 1934, 15 U S C A 79a et seq , suspending or expelling such persons from membership in such association or exchange

6 The Franchise Agreement and Multi-Unit Operator Agreement require binding arbitration The arbitration will occur in Maryland with the costs being borne by the franchisee and franchisor Prospective franchisees are encouraged to consult private legal counsel to determine the applicability of California and federal laws (such as Business and Professions Code Section 20040 5 Code of Civil Procedure Section 1281, and the Federal Arbitration Act) to any provisions of a franchise agreement restricting venue to a forum outside the State of California Business and Professions Code Section 20040 5 relating to forum selection clauses restricting venue outside the state of California or arbitration may be preempted by the Federal Arbitration Act Section 20040 5 may still apply to any provision relating to judicial proceedings A binding arbitration provision may not be enforceable under generally applicable contract defenses, such as fraud, duress, or unconscionability

7 The Franchise Agreement and Multi-Unit Operator Agreement require application of the laws of Maryland This provision may not be enforceable under California law

8 You must sign a general release if you renew or transfer your franchise California Corporation Code 31512 voids a waiver of your rights under the Franchise Investment Law (California Corporations Code 31000 through 31516) Business and Professions Code 20010 voids a waiver of your rights under the Franchise Relations Act (Business and Professions Code 20000 through 20043)

9 THE CALIFORNIA FRANCHISE INVESTMENT LAW REQUIRES THAT A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE BE DELIVERED TOGETHER WITH THE DISCLOSURE DOCUMENT

10 Prospective franchisees are encouraged to consult private legal counsel to determine the applicability of California and federal laws (such as Business and Professions Code Section 20040 5 Code of Civil Procedure Section 1281, and the Federal Arbitration Act) to any provisions of a franchise agreement restricting venue to a forum outside the State of California

11 The Franchise Agreement contains a liquidated damages clause Under California Civil Code Section 1671, certain liquidated damages clauses are unenforceable

12 OUR WEBSITE, www boardwalkfreshburgersandfries com, HAS NOT BEEN REVIEWED OR APPROVED BY THE CALIFORNIA DEPARTMENT OF BUSINESS OVERSIGHT ANY COMPLAINTS CONCERNING THE CONTENT OF THIS WEBSITE MAY BE DIRECTED TO THE CALIFORNIA DEPARTMENT OF BUSINESS OVERSIGHT at www dbo ca gov

13 The appropriate sections of the Franchise Agreement and Multi-Unit Operator Agreement are amended to state that the highest interest rate allowed under California law is 10% per annum

ADDENDUM TO THE BOARDWALK FRESH BURGERS AND FRIES, INC ,
t/a Boardwalk Fries Burgers Shakes
~~DISCLOSURE DOCUMENT~~FRANCHISE AGREEMENT REQUIRED BY THE STATE OF ILLINOIS

~~1 The following item must be included within the Disclosure Document and shall replace the language that is in the Disclosure Document itself~~

Illinois law governs the agreements between the parties to this franchise.

Section 4~~, Jurisdiction and Venue,~~ of the Illinois Franchise Disclosure Act ~~of 1987 ("Act") states~~provides that ~~"~~any provision in the franchise agreement which designates jurisdiction or venue ~~in a forum~~ outside of ~~this~~the State ~~is void with respect to any cause of action which otherwise is enforceable in this State, provided that~~of Illinois is void. However, a franchise agreement may provide for arbitration ~~in a forum~~ outside of ~~this State " This~~ Illinois.

Section 41 of the ~~Act replaces any contradictory language contained in the~~Illinois Franchise ~~Agreement and Multi Unit Operator Agreement~~

~~2 Illinois law governs the Franchise Agreement and Multi Unit Operator Agreement~~

~~3 Any releases and/or waivers that we request you to sign must conform with Section 41, Waivers Void of the Illinois Franchise Disclosure Act of 1987 which states that "~~Disclosure Act provides that any condition, stipulation, or provision purporting to bind any person acquiring any franchise to waive compliance with ~~any provision of this Act or any other law of this State is void This Section shall not prevent any person from entering into a settlement agreement or executing a general release regarding potential or actual lawsuit filed under any of the provisions of this Act, nor shall it prevent the arbitration of any claim pursuant to the provisions of Title 9 of the United States Code "~~the Illinois Franchise Disclosure Act or any other law of Illinois is void.

~~4 Under Illinois law at 200 608, Jurisdiction~~Your right upon termination and ~~Venue,~~non-renewal of a franchise agreement ~~may not provide for a choice of law of any state other than Illinois The Summary column of Items 17(v) and (w) of the Disclosure Document~~ are ~~amended to state "Illinois law" The appropriate~~set forth in sections 19 and 20 of the Illinois Franchise ~~Agreement and Multi Unit Operator Agreement are amended accordingly~~

~~5 The appropriate sections of the Franchise Agreement and Multi Unit Operator Agreement are amended to comply with Section 27, Periods of Limitation, of the~~ Disclosure Act ~~to allow any and all claims and actions arising out of or relating to these Agreements, the relationship of Franchisor and Franchisee, Multi Unit Operator, or your operation of the Franchise brought by you against us shall be commenced within 3 years from the occurrence of the facts giving rise to such claim or action, within 1 year after you become aware of the facts or circumstances indicating you may have a claim for relief, or 90 days after delivery to you of a written notice disclosing the violation, or such claim or action will be barred~~

~~6 Item 17(g) of the Disclosure Document and the appropriate sections of the Franchise Agreement and Multi Unit Operator Agreement are amended by changing the time frame to cure defaults, excluding defaults for safety or security issues, to 30 days~~

DISCLOSURE REQUIRED BY THE STATE OF MICHIGAN

THE STATE OF MICHIGAN PROHIBITS CERTAIN UNFAIR PROVISIONS THAT ARE SOMETIMES IN FRANCHISE DOCUMENTS IF ANY OF THE FOLLOWING PROVISIONS ARE IN THESE FRANCHISE DOCUMENTS, THE PROVISIONS ARE VOID AND CANNOT BE ENFORCED AGAINST YOU

(a) A prohibition on the right of a franchisee to join an association of franchises

(b) A requirement that a franchisee assent to a release, assignment, novation, waiver or estoppel which deprives a franchisee of rights and protections provided in this act This shall not preclude a franchisee, after entering into a franchise agreement, from settling any and all claims

(c) A provision that permits a franchisor to terminate a franchise prior to the expiration of its term except for good cause Good cause shall include the failure of the franchisee to comply with any lawful provision of the franchise agreement and to cure such failure after being given written notice thereof and a reasonable opportunity, which in no event need be more than thirty (30) days, to cure such failure

(d) A provision that permits a franchisor to refuse to renew a franchise without fairly compensating the franchisee by repurchase or other means for the fair market value at the time of expiration of the franchisee's inventory, supplies, equipment, fixtures and furnishings Personalized materials which have no value to the franchisor and inventory, supplies, equipment, fixtures and furnishings not reasonably required in the conduct of the franchise business are not subject to compensation This subsection applies only if (i) the term of the franchise is less than five (5) years, and (ii) the franchisee is prohibited by the franchise or other agreement from continuing to conduct substantially the same business under another trademark, service mark, trade name, logotype, advertising or other commercial symbol in the same area subsequent to the expiration of the franchise or the franchisee does not receive at least six (6) months' advance notice of franchisor's intent not to renew the franchise

(e) A provision that permits the franchisor to refuse to renew a franchise on terms generally available to other franchisees of the same class or type under similar circumstances This section does not require a renewal provision

(f) A provision requiring that arbitration or litigation be conducted outside this state This shall not preclude the franchisee from entering into an agreement, at the time of arbitration, to conduct arbitration at a location outside this state

(g) A provision which permits a franchisor to refuse to permit a transfer of ownership of a franchise, except for good cause This subdivision does not prevent a franchisor from exercising a right of first refusal to purchase the franchise Good cause shall include, but is not limited to

(i) Failure of the proposed transferee to meet the franchisor's then-current reasonable qualifications or standards

(ii) The fact that the proposed transferee is a competitor of the franchisor or subfranchisor

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

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

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

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

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

If the franchisor's most recent financial statements are unaudited and show a net worth of less than $100,000, franchisee has the right to request an escrow arrangement

Any questions regarding this notice should be directed to

Consumer Protection Division
Attn Marilyn McEwen
525 W Ottawa Street, 6th Floor
Lansing, Michigan 48933
(517) 373-7117

ADDENDUM TO THE BOARDWALK FRESH BURGERS AND FRIES, INC ,
t/a Boardwalk Fries Burgers Shakes
FRANCHISE DISCLOSURE DOCUMENT
REQUIRED BY THE DEPARTMENT OF LAW OF THE STATE OF NEW YORK

1. The following ~~Items are required~~information is added to ~~be included within~~ the cover page of the Franchise Disclosure Document~~and shall be deemed to supersede the language in~~.

INFORMATION COMPARING FRANCHISORS IS AVAILABLE. CALL THE STATE ADMINISTRATORS LISTED IN EXHIBIT A OR YOUR PUBLIC LIBRARY FOR SOURCES OF INFORMATION. REGISTRATION OF THIS FRANCHISE BY NEW YORK STATE DOES NOT MEAN THAT NEW YORK STATE RECOMMENDS IT OR HAS VERIFIED THE INFORMATION IN THIS FRANCHISE DISCLOSURE DOCUMENT. IF YOU LEARN THAT ANYTHING IN THE FRANCHISE DISCLOSURE DOCUMENT IS UNTRUE, CONTACT THE FEDERAL TRADE COMMISSION AND NEW YORK STATE DEPARTMENT OF LAW, BUREAU OF INVESTOR PROTECTION AND SECURITIES, 120 BROADWAY, 23RD FLOOR, NEW YORK, NEW YORK 10271. THE FRANCHISOR MAY, IF IT CHOOSES, NEGOTIATE WITH YOU ABOUT ITEMS COVERED IN THE FRANCHISE DISCLOSURE DOCUMENT. HOWEVER, THE FRANCHISOR CANNOT USE THE NEGOTIATING PROCESS TO PREVAIL UPON A PROSPECTIVE FRANCHISEE TO ACCEPT TERMS WHICH ARE LESS FAVORABLE THAN THOSE SET FORTH IN THIS FRANCHISE DISCLOSURE DOCUMENT.

2. The following is added at the ~~Disclosure Document itself~~ end of Item 3.

~~ITEM 3 LITIGATION~~

~~Neither~~ Except as provided above, with regard to the ~~Franchisor~~franchisor, its ~~Predecessor nor any~~ predecessor, a person ~~listed under~~identified in Item 2, or an affiliate offering franchises under ~~Franchisor's~~the franchisor's principal trademark

~~(A)~~ A. No such party has an administrative, criminal or civil action pending against that person alleging a felony, a violation of a franchise, antitrust, or securities law, fraud, embezzlement, fraudulent conversion, misappropriation of property, unfair or deceptive practices, or comparable civil or misdemeanor allegations

~~(B)~~ B. No such party has pending actions, other than routine litigation incidental to the business, which are significant in the context of the number of franchisees and the size, nature or financial condition of the franchise system or its business operations.

C. No such party has been convicted of a felony or pleaded nolo contendere to a felony charge or, within the ~~ten~~10 year period immediately preceding the application for registration, has been convicted of or pleaded nolo contendere to a misdemeanor charge or has been the subject of a civil action alleging -violation of a franchise~~, anti fraud~~, antifraud, or securities law, fraud, embezzlement, fraudulent conversion or misappropriation of property, or unfair or deceptive practices~~,~~ or comparable allegations

~~(C)~~ D. No such party is subject to a currently effective injunctive or restrictive order or decree relating to the franchise, or under a Federal, State, or Canadian franchise, securities, antitrust, trade regulation or trade practice law, resulting from a concluded or pending action or proceeding brought by a public agency, or is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities and

Exchange Act of 1934, suspending or expelling such person from membership in such association or exchange, or is subject to a currently effective injunctive or restrictive order relating to any other business activity as a result of an action brought by a public agency or department, including, without limitation, actions affecting a license as a real estate broker or sales agent

~~ITEM 4 BANKRUPTCY~~

3 The following is added to the end of Item 4.

Neither the ~~Franchisor~~franchisor, its affiliate, its predecessor, officers, or general partner during the ~~ten~~ 10-year period immediately before the date of the ~~disclosure document~~offering circular (a) filed as debtor (or had filed against it) a petition to start an action under the U S Bankruptcy Code ~~(or any comparable foreign law),~~, (b) obtained a discharge of its debts under the bankruptcy code, or (c) was a principal officer of a company or a general partner in a partnership that either filed as a debtor (or had filed against it) a petition to start an action under the U S Bankruptcy Code or that obtained a discharge of its debts under the U S Bankruptcy Code during or within ~~one~~1 year after ~~the~~that officer or general partner of the ~~Franchisor~~franchisor held this position in the company or partnership

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

~~a Provision (d) for the Franchise Disclosure Document is amended by adding the following language in the Summary column~~

~~"The Franchisee~~4 The following is added to the end of Item 5.

The initial franchise fee constitutes part of our general operating funds and will be used as such in our discretion.

5. The following is added to the end of the "Summary" sections of Item 17(c), titled "Requirements for franchisee to renew or extend," and Item 17(m), entitled "Conditions for franchisor approval of transfer".

However, to the extent required by applicable law, all rights you enjoy and any causes of action arising in your favor from the provisions of Article 33 of the General Business Law of the State of New York and the regulations issued thereunder shall remain in force, it being the intent of this proviso that the non-waiver provisions of General Business Law Sections 687.4 and 687.5 be satisfied.

6. The following language replaces the "Summary" section of Item 17(d), titled 'Termination by franchisee".

You may terminate the agreement on any grounds available by law~~"~~.

~~b "Provision (j) of the Franchise Disclosure Document is amended by adding the~~7. The following ~~language in~~is added to the end of the "Summary~~ column~~" section of Item 17(j), titled "Assignment of contract by franchisor".

"However, no assignment will be made except to an assignee who in good faith and judgment of the franchisor, is willing and financially able to assume the franchisor's obligations under the ~~franchise agreement "~~Franchise Agreement.

~~e Provision (w) in all 3 charts for the Franchise Disclosure Document is amended by adding the following language in the Summary column~~

"8. The following is added to the end of the "Summary" sections of Item 17(v), titled "Choice of forum", and Item 17(w), titled "Choice of law".

The foregoing choice of law should not be considered a waiver of any right conferred upon the franchisor or upon the franchisee by ~~article 33of~~Article 33 of the General Business Law of the State of New York~~."~~.

ADDENDUM TO THE BOARDWALK FRESH BURGERS AND FRIES, INC ,
t/a Boardwalk Fries Burgers Shakes
DISCLOSURE DOCUMENT REQUIRED BY THE COMMONWEALTH OF VIRGINIA

In recognition of the restrictions contained in Section 13 1-564 of the Virginia Retail Franchising Act, the Franchise Disclosure Document for Boardwalk Fresh Burgers and Fries, Inc , t/a Boardwalk Fries Burgers Shakes, for use in the Commonwealth of Virginia shall be amended as follows

Additional Disclosure The following statements are added to Item 17 h

Pursuant to Section 13 1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to cancel a franchise without reasonable cause If any grounds for default or termination stated in the franchise agreement and development agreement does not constitute "reasonable cause," as that the term may be defined in the Virginia Retail Franchising Act or the laws of Virginia, the provision may not be enforceable

Pursuant to Section 13 1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to use undue influence to induce a franchisee to surrender any right given to him under the franchise If any provision of the Franchise Agreement involves the use of undue influence by the franchisor to induce a franchisee to surrender any rights given to him under the franchise, that provision may not be enforceable

IN WITNESS WHEREOF, the parties hereto have duly executed, sealed and delivered this Addendum dated this _____ day of ____________, 20__

ATTEST

BOARDWALK FRESH BURGERS AND FRIES, INC
t/a Boardwalk Fries Burgers Shakes

____
Witness

By _______________________
Name _____________________
Title ______________________

FRANCHISEE

____
Witness

____

ATTACHMENT I TO THE FRANCHISE AGREEMENT

TRANSFER OF A FRANCHISE TO A CORPORATION OR LIMITED LIABILITY COMPANY

This Transfer Agreement shall amend that certain Franchise Agreement between ___________, an individual with an address at _________________ ("Franchisee"), and Boardwalk Fresh Burgers and Fries, Inc , a Delaware corporation, t/a Boardwalk Fries Burgers Shakes, headquartered at 9220 Rumsey Road, Suite 101, Columbia, Maryland 21045 ("Franchisor")

The undersigned, an Officer, Director and Owner of a majority of the issued and outstanding voting stock of the Corporation set forth below, or Members of the issued and outstanding Interests of the Limited Liability Company set forth below, and the Franchisee of the Restaurant under a Franchise Agreement executed on the date set forth below, between himself or herself and Franchisor, granting him/her a franchise to operate at the location set forth below, and the other undersigned Directors, Officers and Shareholders of the Corporation, or the Members of the Limited Liability Company, who together with Franchisee constitute all of the Shareholders of the Corporation, or the Members of the Limited Liability Company, in order to induce Franchisor to consent to the assignment of the Franchise Agreement to the Corporation or Limited Liability Company in accordance with the provisions of Article 14 of the Franchise Agreement, agree as follows

1 The undersigned Franchisee shall remain personally liable in all respects under the Franchise Agreement and all the other undersigned Officers, Directors and Shareholders of the Corporation, or the Members of the Limited Liability Company, intending to be legally bound hereby, agree jointly and severally to be personally bound by the provisions of the Franchise Agreement including the restrictive covenants contained in Article 10 thereof, to the same extent as if each of them were the Franchisee set forth in the Franchise Agreement and they jointly and severally personally guarantee all of the Franchisee's obligations set forth in said Agreement

2 The undersigned agree not to transfer any stock in the Corporation, or any interest in the Limited Liability Company without the prior written approval of the Franchisor and agree that all stock certificates representing shares in the Corporation, or all certificates representing interests in the Limited Liability Company shall bear the following legend

> "The shares of stock represented by this certificate are subject to the terms and conditions set forth in a Franchise Agreement dated ___________, 20__ between ___________________ and Boardwalk Fresh Burgers and Fries, Inc t/a Boardwalk Fries Burgers Shakes"
>
> or
>
> "The ownership interests represented by this certificate are subject to the terms and conditions set forth in a Franchise Agreement dated ___________, 20__ between ___________________ and Boardwalk Fresh Burgers and Fries, Inc t/a Boardwalk Fries Burgers Shakes"

3 __________________ or his designee shall devote his best efforts to the day-to-day operation and development of the Restaurant

4 __________________ hereby agrees to become a party to and to be bound by all of the provisions of the Franchise Agreement executed on the date set forth below between Franchisee and

Boardwalk Fresh Burgers and Fries, Inc , t/a Boardwalk Fries Burgers Shakes, to the same extent as if it were named as the Franchisee therein

Date of Franchise Agreement ______________________________

Location of Restaurant ___________________________________

WITNESS

____

____

As to Paragraph 3

____
[Name]

As to Paragraph 4

____
[Name]

ATTEST

____

____
Name of Corp or Limited Liability Company

By ____________________ (SEAL)
Title ______________________

In consideration of the execution of the above Agreement, Boardwalk Fresh Burgers and Fries, Inc , t/a Boardwalk Fries Burgers Shakes, hereby consents to the above referred to assignment on this _____ day of _________________, 20__

BOARDWALK FRESH BURGERS AND FRIES, INC
t/a Boardwalk Fries Burgers Shakes

By ___________________________
Name _________________________
Title __________________________

ATTACHMENT J TO THE FRANCHISE AGREEMENT

FRANCHISEE DISCLOSURE ACKNOWLEDGMENT STATEMENT

As you know, Boardwalk Fresh Burgers and Fries, Inc (the "Franchisor"), t/a Boardwalk Fries Burgers Shakes and you are preparing to enter into a franchise agreement (the "Franchise Agreement") for the establishment and operation of a Boardwalk Fries Burgers Shakes Restaurant Business (the "Franchised Business") The purpose of this Questionnaire is to determine whether any statements or promises were made to you by employees or authorized representatives of the Franchisor that have not been authorized, or that were not disclosed in the Disclosure Document or that may be untrue, inaccurate or misleading The Franchisor, through the use of this document, desires to ascertain (a) that the undersigned, individually and as a representative of any legal entity established to acquire the franchise rights, fully understands and comprehends that the purchase of a franchise is a business decision, complete with its associated risks, and (b) that you are not relying upon any oral statement, representations, promises or assurances during the negotiations for the purchase of the franchise which have not been authorized by Franchisor

In the event that you are intending to purchase an existing Franchised Restaurant from an existing franchisee, you may have received information from the transferring franchisee, who is not an employee or representative of ours The questions below do not apply to any communications that you had with the transferring franchisee Please review each of the following questions and statements carefully and provide honest and complete responses to each

1 Are you seeking to enter into the Franchise Agreement in connection with a purchase or transfer of an existing Franchised Business from an existing Franchisee?

Yes _____ No _____

2 I had my first face-to-face meeting with a Franchisor representative on _______________, 20___

3 Have you received and personally reviewed the Franchise Agreement, each addendum, and/or related agreement provided to you?

Yes _____ No _____

4 Do you understand all of the information contained in the Franchise Agreement, each addendum, and/or related agreement provided to you?

Yes _____ No _____

If no, what parts of the Franchise Agreement, any Addendum, and/or related agreement do you not understand? (Attach additional pages, if necessary)

____

____

____

____

____

____

5 Have you received and personally reviewed the Franchisor's Disclosure Document that was provided to you?

Yes _____ No _____

6 Did you sign a receipt for the Disclosure Document indicating the date you received it?

Yes _____ No _____

7 Do you understand all of the information contained in the Disclosure Document and any state-specific Addendum to the Disclosure Document?

Yes _____ No _____

If No, what parts of the Disclosure Document and/or Addendum do you not understand? (Attach additional pages, if necessary)

8 Have you discussed the benefits and risks of establishing and operating a Franchised Business with an attorney, accountant, or other professional advisor?

Yes _____ No _____

If No, do you wish to have more time to do so?

Yes _____ No _____

9 Do you understand that the success or failure of your Franchised Business will depend in large part upon your skills and abilities, competition from other businesses, interest rates, inflation, labor and supply costs, location, lease terms, your management capabilities and other economic, and business factors?

Yes _____ No _____

10 Has any employee of Franchisor or other person speaking on behalf of the Franchisor made any statement or promise concerning the actual or potential revenues, profits or operating costs of any particular Franchised Business operated by the Franchisor or its franchisees (or of any group of such businesses), that is contrary to or different from the information contained in the Disclosure Document?

Yes _____ No _____

11 Has any employee of Franchisor or other person speaking on behalf of the Franchisor made any statement or promise regarding the amount of money you may earn in operating the franchised business that is contrary to or different from the information contained in the Disclosure Document?

Yes _____ No _____

12 Has any employee of Franchisor or other person speaking on behalf of the Franchisor made any statement or promise concerning the total amount of revenue the Franchised Business will generate, that is contrary to or different from the information contained in the Disclosure Document?

Yes _____ No _____

13 Has any employee of Franchisor or other person speaking on behalf of the Franchisor made any statement or promise regarding the costs you may incur in operating the Franchised Business that is contrary to or different from the information contained in the Disclosure Document?

Yes _____ No _____

14 Has any employee of Franchisor or other person speaking on behalf of the Franchisor made any statement or promise concerning the likelihood of success that you should or might expect to achieve from operating a Franchised Business?

Yes _____ No _____

15 Has any employee of Franchisor or other person speaking on behalf of the Franchisor made any statement, promise or agreement concerning the advertising, marketing, training, support service or assistance that the Franchisor will furnish to you that is contrary to, or different from, the information contained in the Disclosure Document or franchise agreement?

Yes _____ No _____

16 Have you entered into any binding agreement with the Franchisor concerning the purchase of this franchise prior to today?

Yes _____ No _____

17 Have you paid any money to the Franchisor concerning the purchase of this franchise prior to today?

Yes _____ No _____

18 Have you spoken to any other franchisee(s) of this system before deciding to purchase this franchise? If so, who? ____

____

If you have answered No to question 9, or Yes to any one of questions 10-17, please provide a full explanation of each answer in the following blank lines (Attach additional pages, if necessary, and refer to them below) If you have answered Yes to question 9, and No to each of questions 10-17, please leave the following lines blank

I signed the Franchise Agreement and Addendum (if any) on ____________, 20___, and acknowledge that no Agreement or Addendum is effective until signed and dated by the Franchisor

Please understand that your responses to these questions are important to us and that we will rely on them By signing this Questionnaire, you are representing that you have responded truthfully to the above questions In addition, by signing this Questionnaire, you also acknowledge that

A You recognize and understand that business risks, which exist in connection with the purchase of any business, make the success or failure of the franchise subject to many variables, including among other things, your skills and abilities, the hours worked by you, competition, interest rates, the economy, inflation, franchise location, operation costs, lease terms and costs and the marketplace You hereby acknowledge your awareness of and willingness to undertake these business risks

B You agree and state that the decision to enter into this business risk is in no manner predicated upon any oral representation, assurances, warranties, guarantees or promises made by Franchisor or any of its officers, employees or agents (including the Broker or any other broker) as to the likelihood of success of the franchise Except as contained in the Disclosure Document, you acknowledge that you have not received any information from the Franchisor or any of its officers, employees or agents (including the Broker or any other broker) concerning actual, projected or forecasted franchise sales, profits or earnings If you believe that you have received any information concerning actual, average, projected or forecasted franchise sales, profits or earnings other than those contained in the Disclosure Document, please describe those in the space provided below or write "None"

C You further acknowledge that the President of the United States of America has issued Executive Order 13224 (the "Executive Order") prohibiting transactions with terrorists and terrorist organizations and that the United States government has adopted, and in the future may adopt, other anti-terrorism measures (the 'Anti-Terrorism Measures") The Franchisor therefore requires certain certifications that the parties with whom it deals are not directly involved in terrorism For that reason, you hereby certify that neither you nor any of your employees, agents or representatives, nor any other person or entity associated with you, is

(i) a person or entity listed in the Annex to the Executive Order,

(ii) a person or entity otherwise determined by the Executive Order to have committed acts of terrorism or to pose a significant risk of committing acts of terrorism,

(iii) a person or entity who assists, sponsors, or supports terrorists or acts of terrorism, or

(iv) owned or controlled by terrorists or sponsors of terrorism

You further covenant that neither you nor any of your employees, agents or representatives, nor any other person or entity associated with you, will during the term of the Franchise Agreement become a person or entity described above or otherwise become a target of any Anti-Terrorism Measure

Acknowledged this _____ day of _______________, 20____

Sign here if you are taking the franchise as an

INDIVIDUAL

____
Signature

Print Name______________________________

____
Signature

Print Name______________________________

____
Signature

Print Name______________________________

____
Signature

Print Name______________________________

Sign here if you are taking the franchise as a CORPORATION, LIMITED LIABILITY COMPANY OR PARTNERSHIP

____
Print Name of Legal Entity

By ______________________________
Signature

Print Name______________________________

Title______________________________

ATTACHMENT K TO THE FRANCHISE AGREEMENT

SITE EVALUATION PACKAGE AND FORM

SITE EVALUATION PACKAGE
TABLE OF CONTENTS

SITE EVALUATION FORM

LOCATION

City	County	State
Address	Zip	
Project Name		

I/we have inspected the above site and the surrounding market area for use as Boardwalk Fries Burgers Shakes I/we have reviewed all of the information included in this package and recommend acceptance of this site

By ______________________ Franchisee Date

By ______________________ Franchisee Date

For Home Office Use Only

	Accept	**Reject**	**Date**
By ______________ Director of Operations			
By ______________ President or CEO			

SITE FACTS

A LOCATION

City	County	State
Address	Zip	Cross Street
Project Name (if applicable)		

Check all that apply (E=Existing, P=Proposed)

Neighborhood Shopping Center	______	Shopping Center Pad	______
Regional Shopping Center	______	Build-to-suit	______
Community Shopping Center	______	Office Building	______
Fee Standing Building	______	Vacant Land	______
End Cap	______	Ground Lease	______
In-Line Space	______	Other	______

B MARKET DATA

Downtown	______	City (50,000+)	______	Town (<50,000)	______
Inner City	______	Suburban	______	Interstate	______
Bedroom Community	______			Other______________	

1 Primary Business for - Lunch ______ Dinner ______

		1 mile	2 mile	3 mile
2	Daytime Population	____________	____________	____________
	Population	____________	____________	____________
	Median HH Income	____________	____________	____________
	Average HH Income	____________	____________	____________
	Median Age	____________	____________	____________
	% of Single Household	____________	____________	____________
	% of Family Household	____________	____________	____________

Average Education Level__________ __________ __________
(Bachelor's Degree+)

4 Commercial Generators

Tenant Mix ______________________________

Retail centers/Malls (square footage, anchors, etc)__________________
Office Mix (square footage) ______________________

Hospitals/Universities ______________________

Theaters ______________________________

Misc ______________________________

C SITE

1 Estimated Turnover Date ____________________

Estimated Opening Date ____________________

2 Dimensions of space or building ______X_____=_____Total Square Feet

Dimensions of site ______X_____=_____Total Square Feet

Irregular __________

Gross Leasable Area (GLA) of center or building ______ Square Feet

3 Prior use of space ____________________ Vacant ___ Occupied _____

4 Grade of property relative to primary street Same____ Above_____ Below_____

5 Patio available?______ Details____________________

6 Existing improvements (if any) to be demolished, removed or converted __________

____

____

7 Present zoning __________ Required zoning ______________

D TRAFFIC STATISTICS

1 Average daily (24 hour) traffic count

Primary street name ____________________ Count __________

Secondary street name ____________________ Count __________

2 Type of traffic Local _____ Transient ______ Mixed ____

Is there significant pedestrian or bicycle traffic within area of proposed location? Explain

Yes during morning, lunch, and evening rush hour

____

3 Is the primary street to the proposed location a major commercial artery? Yes___ No___

4 Posted speed limit on primary street? ____________MPH

Estimate of actual speed of traffic ____________MPH

5 Daily traffic volume

		Heavy	Medium	Light
Tuesday	6am-6pm	____________	____________	______
Tuesday	6pm-12am	____________	____________	______
Friday	6am-6pm	____________	____________	______
Friday	6pm-12am	____________	____________	______
Saturday	6am-6pm	____________	____________	______
Saturday	6pm-12am	____________	____________	______
Sunday	6am-6pm	____________	____________	______
Sunday	6pm-12am	____________	____________	______

E PARKING

1 Total parking spaces for site _______

2 Total parking spaces for 's exclusive use _______

F ACCESSIBILITY TO LOCATION

1 Describe access to the site from all directions ________________________________

____

2 Traffic control devices at or near the site Signal___ Stop Sign___ Yield___

Comments ____

3 Proximity of freeway/interstate __________

3 Describe any areas of congestion at or near proposed site ______________________________

____

5 Describe any proposed street or highway changes/improvements that might affect accessibility ____

____

G SITE VISIBILITY

1 Approximate visibility distance in feet from each direction in which either building/space or signage will be seen and recognized as a

a From North ____________feet b From East ____________feet c From South ____________feet d From West ____________feet

2 Is there freeway/interstate visibility? Yes___ No ___ N/A___

3 Night visibility? Excellent ____ Good__ Fair___ Poor___

4 Premises are ___________ feet from the primary street

H SIGNAGE & TRADE DRESS

1 Number of building signs allowed? ________________________________

2 Will the standard signage be allowed? Yes___ No____

3 Will the standard exterior "trade dress" be allowed? Yes___ No____

Comments ____

4 Can the standard awning be used? Yes___ No____

5 Location of building signs ____________________________

6 Directory/pole/monument signage permitted? Yes___ No____

I UTILITIES

1 Is there an existing water line for the space? Yes___ No____

If yes, what size is the existing water line? Inches _____________

2 Existing electrical power supplied to the building? Phase ____ Amps ___

3 Is there an existing gas line dedicated for the space? Yes___ No____

If yes, what size is the existing gas line? Inches_____________

4 Are there existing HVAC units for the space? Yes___ No____

If yes, what is the capacity of the existing HVAC unit? Tons _____________

Note

J INVESTIGATIVE RESEARCH

1 In Suburban areas, drive for 5 minutes in at least four directions (N/S/E/W), and describe each area, i e retail draw, employment centers, residential bas/quality, traffic patterns, and other pertinent factors ____

2 In an Urban or pedestrian area, walk for 5 minutes in at least four directions (N/S/E/W), and describe each area, i e retail draw, employment centers, residential bas/quality, traffic patterns, and other pertinent factors ______________________________

3 Discuss the trade area with at least 10 local merchants to determine their opinions

4 Speak to local business owners to determine their sales performance, their customer profiles, and life style information ______________________________

5 Summarize why you believe that this would be a good site for Boardwalk Fries Burgers Shakes

6 Are there any reasons that this site might not do well as a Boardwalk Fries Burgers Shakes? Please explain

____

____

____

7 Please give a thorough explanation of why this site would do well at lunch ____________________

____

____

____

____

____

8 Please give a thorough explanation of why this site would do well at dinner and on the weekends?

____

____

____

____

____

9 Has there been any restaurant turnover in the trade area? Does that concern you? ______

____

____

____

____

10 Please list the sales volumes for at least 3-4 other similar restaurants in the trade area (Include source of information) ____

____

____

____

____

11 List any casual/fast casual/full service competition within 5 minutes of the site, request volumes from competitive (not just similar) restaurants ________________

____

____

____

____

LEASE AGREEMENT SUMMARY

Landlord's Name________________Phone____________Email____________

Address____

Broker (if applicable)____________ Phone ____________Email____________

Address____

Square Footage of Premises		____________________
Initial Term		____________________
Renewal Term Options		____________________
Date Agreement Signed by Landlord	____________	Lease ____________
Possession Date		____________________
Fixturing Period		____________________
Rent Abatement Period		____________________
Rent Commencement Date		____________________
Due Diligence, Permits, License, Approvals		____________________
Amount of Tenant Improvements by Landlord		____________________
Minimum Rent	Year 1	$______________per sqft, N N N
	Year 2	$______________per sqft, N N N
	Year 3	$______________per sqft, N N N
	Year 4	$______________per sqft, N N N
	Year 5	$______________per sqft, N N N
	Year 6-10	$______________per sqft, N N N
	Year 11-20	____________________
Estimated Additional Rents	CAM's	____________________
	Property Taxes	____________________
	Insurance	____________________

Percentage Rents, if any ______________________________

Security Deposit ______________________________

Landlord's Work if not a dollar amount or if in addition thereto ______________________________

____

Indemnity ______________________________

Contingencies ______________________________

Due Diligence/Permitting Time ______________________________

Additional information

____

Date of information ______________

Additional information

EXHIBIT C TO THE DISCLOSURE DOCUMENT
MULTI-UNIT OPERATOR AGREEMENT

BOARDWALK FRESH BURGERS AND FRIES, INC
t/a Boardwalk Fries Burgers Shakes

MULTI-UNIT OPERATOR AGREEMENT

____
MULTI-UNIT OPERATOR

____
DATE OF AGREEMENT

TABLE OF CONTENTS

ATTACHMENTS

EXHIBITS

BOARDWALK FRESH BURGERS AND FRIES, INC
t/a Boardwalk Fries Burgers Shakes

MULTI-UNIT OPERATOR AGREEMENT

THIS MULTI-UNIT OPERATOR AGREEMENT ("Agreement") is made and entered into the ______ day of ______________, 20__, between Boardwalk Fresh Burgers and Fries, Inc, t/a Boardwalk Fries Burgers Shakes, a Delaware corporation having its principal place of business at 9220 Rumsey Road, Suite 101, Columbia, Maryland 21045 ("we", "us" or "our"), and __________________________ whose principal address is __________________________ (hereinafter "you" or "your")

WITNESSETH

WHEREAS, as the result of the expenditure of time, skill, effort and money, we and our affiliate have developed and own a unique and distinctive system (hereinafter "System") relating to the establishment and operation of fast casual restaurants operating under the name "Boardwalk Fries Burgers Shakes" offering french fries, fresh hamburger sandwiches and fountain products ("Restaurant" or ' Franchised Business"),

WHEREAS, the distinguishing characteristics of the System include, without limitation, distinctive exterior and interior design, decor, color scheme, and furnishings, proprietary products and ingredients, proprietary recipes and special menu items, uniform standards, specifications, and procedures for operations, quality and uniformity of products and services offered, procedures for inventory, management and financial control, training and assistance, and advertising and promotional programs, all of which may be changed, improved, and further developed by us from time to time,

WHEREAS, we identify the System by means of certain trade names, service marks, trademarks, logos, emblems and indicia of origin, including, but not limited to, the mark "Boardwalk Fries Burgers Shakes" and such other trade names, service marks, and trademarks as are now designated (and may hereafter be designated by us in writing) for use in connection with the System (hereinafter referred to as "Marks"),

WHEREAS, we and our affiliates continue to develop, use and control the use of such Marks in order to identify for the public the source of services and products marketed thereunder and under the System, and to represent the System's high standards of quality, appearance and service, and

WHEREAS, you wish to obtain certain development rights to open and operate Restaurants operating under the Marks under the System within the Exclusive Area described in this Multi-Unit Operator Agreement

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

SECTION 1
GRANT

1 1 We hereby grant to you, pursuant to the terms and conditions of this Multi-Unit Operator Agreement, certain development rights ("Development Rights") to establish and operate ________ (_____) franchised Restaurants, and to use the System solely in connection therewith at specific locations to be designated in separate Franchise Agreements executed as provided in Section 3 1 hereof, and pursuant to the schedule established in Exhibit "A" of this Agreement (hereinafter "Minimum Performance Schedule") Each Restaurant developed hereunder shall be located in the area described in Exhibit "B" of this Agreement (hereinafter "Exclusive Area")

1 2 Each Restaurant for which a Development Right is granted hereunder shall be established and operated pursuant to a Franchise Agreement to be entered into between you and us in accordance with Section 3 1 hereof

1 3 Except as otherwise provided in this Agreement, we shall not establish, nor franchise anyone other than you to establish, a Restaurant in the Exclusive Area during the term of this Agreement, provided you are not in default hereunder

1 4 This Agreement is not a Franchise Agreement and does not grant to you any right to use the Marks or System

1 5 You shall have no right under this Agreement to franchise others under the Marks or System

SECTION 2
DEVELOPMENT FEE

In consideration of the development rights granted herein, you shall pay to us a Development Fee of ___________________________ Thousand Dollars ($___________), which is calculated as Thirty Thousand Dollars ($30,000) multiplied by the total number of Restaurants to be developed pursuant to this Agreement

You acknowledge and agree that the Development Fee shall be fully earned by us upon execution of this Agreement, is not refundable, and shall be for administrative and other expenses incurred by us and for the development opportunities lost or deferred as a result of the Development Rights granted to you herein

SECTION 3
SCHEDULE AND MANNER FOR EXERCISING DEVELOPMENT RIGHTS

3 1 You shall assume all responsibility and expense for locating potential sites for Restaurants and shall submit to us for our evaluation and approval, in the form specified by us, a description of the site, the terms of the lease or purchase, a market feasibility study for the site and such other information and materials as we may reasonably require, together with a letter of intent or other evidence satisfactory to us which confirms your favorable prospects for obtaining the site We shall have thirty (30) days after receipt of such information and materials from you to approve or disapprove the site in our sole discretion If the site is approved, you will then be presented with the Franchise Agreement for execution

3 2 Recognizing that time is of the essence, you agree to exercise each of the Development Rights granted hereunder in the manner specified herein, and to satisfy the Minimum Performance Schedule in a timely manner Your failure to adhere to the Minimum Performance Schedule shall constitute a default under this Agreement as provided in Section 9 1 hereof Under no circumstances, however, may you open a Restaurant for business unless and until there is a fully executed Franchise Agreement in place for such Restaurant

3 3 You shall exercise each Development Right granted herein only by executing a Franchise Agreement for each Restaurant at a site approved by us in the Exclusive Area as hereinafter provided within ten (10) days after receipt of said Franchise Agreement from us for the approved site and return same to us for our execution The Franchise Agreement for the first Development Right exercised hereunder has been executed contemporaneously with this Agreement The Franchise Agreement for each additional Development Right exercised hereunder shall be the then-current Franchise Agreement, except that the Royalty and Advertising Fees shall not increase and shall be the same as stated in the first Franchise Agreement executed, subject to any non-material changes therein which are required to be made by changes in any applicable law, regulation or ordinance in effect from time to time In the event we do not receive the properly executed Franchise Agreement with the appropriate number of copies within said ten (10) days from delivery thereof to you, our approval of the site shall be void and you shall have no rights with respect to said site

The initial fees to be paid by you shall be Thirty Thousand Dollars ($30,000) for the initial franchise fee for each Restaurant to be developed hereunder We will apply Thirty Thousand Dollars ($30,000) of the Development Fee in satisfaction of the initial franchise fee payable for each Restaurant to be developed hereunder

3 4 You acknowledge that the approval of a particular site for a Restaurant by us shall not be deemed to be an assurance or guaranty that the Restaurant will operate successfully or at a profit from such site

3 5 You shall be required to execute each Franchise Agreement and own a minimum of fifty-one percent (51%) of the issued and outstanding stock for each Restaurant to be opened pursuant to said Franchise Agreement In no event shall you relinquish control over each entity operating each Restaurant

SECTION 4
DEVELOPMENT RIGHTS AND OBLIGATIONS

4 1 Provided you are in full compliance with all the terms and conditions of this Agreement, including without limitation your development obligations described in Section 3 2, and you are in full compliance with all of your obligations under all franchise agreements executed pursuant to this Agreement, then during the term of this Agreement neither we nor any of our affiliates will develop or operate or grant franchises for the development or operation of Restaurants within the Exclusive Area, except the franchises that are granted to you pursuant to this Agreement and except as otherwise expressly provided in this Agreement

4 2 Upon the termination or expiration of this Agreement, we and our affiliates shall have the right to develop and operate, and to grant to others development rights and franchises to develop and operate, Restaurants within the Exclusive Area subject only to the territorial rights granted to you with respect to Restaurants operated by you pursuant to the Franchise Agreements

4 3 Except as expressly limited by Section 3 2 above, we and our affiliates retain all rights with respect to Restaurants, the Marks and the sale of any goods and services, anywhere in the world, including, without limitation, the right

4 3 1 to produce, offer and sell and to grant others the right to produce, offer and sell the products offered at Restaurants and any other goods displaying the Marks or other trade and service marks through alternative distribution channels, as described below, both within and outside the Exclusive Area, and under any terms and conditions we deem appropriate "Alternative distribution channels" include, but are not limited to, the Internet, catalog sales, grocery stores, club stores, telemarketing or other marketing methods,

4 3 2 to operate and to grant others the right to operate Restaurants located outside the Exclusive Area under any terms and conditions we deem appropriate and regardless of proximity to a Restaurant, and

4 3 3 to acquire and operate a business operating one or more restaurants or food service businesses located or operating in the Exclusive Area

SECTION 5
RENEWAL

This Agreement shall not be subject to renewal, however, if you wish to purchase a new Exclusive Area and continue to develop Restaurants, we will, in good faith, negotiate a new Multi-Unit Operator Agreement with you

SECTION 6
TERM AND RIGHT OF FIRST REFUSAL

6 1 Unless sooner terminated in accordance with the terms of this Agreement, the term of this Agreement and all Development Rights granted hereunder shall expire on the date the last Restaurant is opened pursuant to the Minimum Performance Schedule established in Exhibit "A"

6 2 If, at any time or from time to time following the opening for business of all the Restaurants in accordance with the Minimum Performance Schedule, we determine that it is desirable to operate one or more additional Restaurants in the Exclusive Area, and provided you have timely complied with the Minimum Performance Schedule and are then in compliance with all terms and conditions of all Franchise Agreements, you shall have a right of first refusal to obtain the Development Rights to such additional Restaurant(s) upon such reasonable terms and conditions as are then determined by us including, but not limited to, the imposition of a new Development Fee and the payment of the then-current Initial Franchise Fee upon execution of the then-current Franchise Agreement In such case, we shall advise you in writing of the terms and conditions for the acquisition of the Development Rights for such additional Restaurant(s) You must notify us in writing within sixty (60) days of the receipt of such notice whether you wish to acquire the Development Rights to one or all of such additional Restaurant(s) If you do not exercise this right of first refusal, in whole, we may, following the expiration of the sixty (60) day period, grant the Development Rights to such additional Restaurant(s) to any other person or persons on the same terms and conditions or we may elect to develop and construct any of such additional Restaurant(s)

SECTION 7
YOUR OBLIGATIONS

7 1 You acknowledge and agree that

7 1 1 Except as otherwise provided herein, this Agreement includes only the right to select sites for the establishment of Restaurants and to submit the same to us for our approval in accordance with the terms of this Agreement This Agreement does not include the grant of a license by us to you of any rights to use the Marks, the System, or to open or operate any Restaurants within the Exclusive Area You shall obtain the license to use such additional rights at each Restaurant upon the execution of each Franchise Agreement by both you and us and only in accordance with the terms of each Franchise Agreement

7 1 2 The Development Rights granted hereunder are personal to you and cannot be sold, assigned, transferred or encumbered, in whole or in part, except as stated in Section 1 1 hereof

7 1 3 Except as provided in Sections 6 1 and 6 2 hereof, the Development Rights granted hereunder are non-exclusive, and we retain the right, in our sole discretion

(a) To continue to construct and operate other Restaurants and to use the System and the Marks at any location outside the Exclusive Area, and to license others to do so

(b) To develop, use and franchise the rights to any trade names, trademarks, service marks, trade symbols, emblems, signs, slogans, insignia, or copyrights not designated by us as Marks for use with different franchise systems for the sale of the different products or services not in connection with the System at any location, on such terms and conditions as we may deem advisable and without granting you any rights therein

(c) To develop, merchandise, sell and license others to sell any of our products, proprietary or otherwise, presently existing or to be developed in the future, to the public through supermarkets, groceries, club stores and other non-restaurant outlets outside or inside of the Exclusive Area and to use the Marks in connection therewith

7 1 4 You have sole responsibility for the performance of all obligations arising out of the operation of your business pursuant to this Agreement, including, but not limited to, the payment when due of any and all taxes levied or assessed by reason of such operation

7 1 5 In all public records, in your relationship with other persons, and in any documents, you shall indicate clearly the independent ownership of your business and that the operations of said business are separate and distinct from the operation of a Boardwalk Fries Burgers Shakes Restaurant

7 1 6 You shall at all times preserve in confidence any and all materials and information furnished or disclosed to you by us and you shall disclose such information or materials only to such of your employees or agents who must have access to it in connection with their employment You shall not at any time, without our prior written consent, copy, duplicate, record or otherwise reproduce such materials or information, in whole or in part, nor otherwise make the same available to any unauthorized person

7 1 7 You shall comply with all requirements of federal, state and local laws, rules and regulations

7 1 8 You shall at no time have the right to sub-franchise any of your Development Rights hereunder

7 1 9 In no event shall any Restaurant be opened for business unless and until a Franchise Agreement for such Restaurant has been fully executed and the initial franchise fee for such Restaurant has been paid

SECTION 8
OUR SERVICES

We shall, at our expense, provide the following services

8 1 Review your site selection for conformity to our standards and criteria for selection and acquisition of sites upon our receipt of your written request for approval thereof

8 2 Provide you with standard specifications and layouts for the interior and exterior design, improvements, equipment, furnishings, decor and signs identified with the Restaurants as we make available to all multi-unit operators and franchisees from time to time

8 3 Review of your site plan and final build-out plans and specifications for conformity to the construction standards and specifications of the System, upon our receipt of your written request for approval thereof

8 4 Provide such other resources and assistance as may hereafter be developed and offered by us to our other multi-unit operators

SECTION 9
DEFAULT AND TERMINATION

9 1 The occurrence of any of the following events of default shall constitute good cause for us, at our option and without prejudice to any other rights or remedies provided for hereunder or by law or equity, to terminate this Agreement upon notice to you without opportunity to cure the default, except where prohibited by any applicable state or federal law, whereupon this Agreement shall be terminated in accordance with the provisions of any such law

9 1 1 If you shall, in any respect, fail to meet the Minimum Performance Schedule

9 1 2 If you shall purport to effect any assignment other than in accordance with Section 11 hereof

9 1 3 Except as provided in Section 11 hereof, if you attempt to sell, assign, transfer or encumber this Agreement prior to the time that at least twenty-five percent (25%) of the Restaurants to be constructed and opened for business in accordance with the Minimum Performance Schedule are, in fact, open or under construction

9 1 4 If you make, or have made, any material misrepresentation to us in connection with obtaining this Multi-Unit Operator Agreement, any site approval hereunder, or any Franchise Agreement

9 1 5 If you default in the performance of any obligation under any Franchise Agreement with us, provided such default results in the termination of the Franchise Agreement

9 1 6 If you suffer a violation of any law, ordinance, rule or regulation of a governmental agency in connection with the operation of the Restaurant, and permit the same to go uncorrected after notification thereof, unless there is a bona fide dispute as to the violation or legality of such law, ordinance, rule or regulation, and you promptly resort to courts or forums of appropriate jurisdiction to contest such violation or legality

9 1 7 If you or an owner of yours owning a twenty-five percent (25%) or more interest in you is convicted in a court of competent jurisdiction of an indictable offense punishable by a term of imprisonment in excess of one (1) year

9 1 8 If you, or any of your partners, if you are a partnership, or any of your officers, directors, shareholders, or members, if you are a corporation or limited liability company, shall become insolvent or make a general assignment for the benefit of creditors, if a petition in bankruptcy is filed by you or such a petition is filed against and not opposed by you, if you are adjudicated a bankrupt or insolvent, if a bill in equity or other proceeding for the appointment of a receiver or other custodian for you or your business or assets is filed and consented to by you, if a receiver or other custodian (permanent or temporary) of your assets or property, or any part thereof, is appointed by any court of competent jurisdiction, if proceedings for a composition with creditors under any state or federal law should be instituted by or against you, if a final judgment remains unsatisfied or of record for thirty (30) days or longer (unless *supersedeas* bond is filed), if you are dissolved, if execution is levied against your business or property, if suit to foreclose any lien or mortgage against the Premises or equipment is instituted against you and not dismissed within thirty (30) days, or if the real or personal property of the Franchised Business shall be sold after levy thereupon by any sheriff, marshal, or constable

9 1 9 If you, or any shareholder or principal, if you are corporate entity, or any of your affiliates cease to operate all of the Restaurants opened pursuant to the terms of this Agreement

9 2 Upon occurrence of any of the events stated in this Section 9 2, we may, without prejudice to any other rights or remedies contained in this Agreement or provided by law or equity, terminate this Agreement Such termination shall be effective thirty (30) days after written notice (or such other notice as may be required by applicable state law) is given by us to you of any of such events, if such defaults are not cured within such period

9 2 1 If you shall use the System or Marks, or any other names, marks, systems, insignia, symbols or rights which are our property except pursuant to, and in accordance with, a valid and effective Franchise Agreement

9 2 2 If you, or persons controlling, controlled by or under common control with you, shall have any interest, direct or indirect, in the ownership or operation of any food service business engaged in the sale of products similar to those permitted to be sold by you within the Exclusive Area or in any food service business which looks like, copies or imitates the Restaurant or operates in a manner tending to have such effect other than pursuant to a valid and effective Franchise Agreement

9 2 3 If you shall fail to remit to us any payments pursuant to Section 2 when same are due

9 2 4 If you shall begin work upon any Restaurant at any site unless all the conditions stated in Section 3 hereof have been met

9 2 5 If you fail to obtain our prior written approval or consent, including but not limited to site approval or site plan approval, as expressly required by this Agreement

9 2 6 If you default in the performance of any other obligation under this Agreement

9 2 7 If you open any Restaurant for business before a Franchise Agreement for such Restaurant has been fully executed and the initial franchise fee due to us has been paid

SECTION 10
OBLIGATIONS FOLLOWING TERMINATION

10 1 Upon termination of this Agreement becoming effective for any reason, or upon expiration of the term hereof, you agree as follows

10 1 1 To cease immediately any attempts to select sites on which to establish Restaurants

10 1 2 To cease immediately to hold yourself out in any way as a multi-unit operator of ours or to do anything which would indicate a relationship between you and us

10 2 No right or remedy herein conferred upon or reserved to us is exclusive of any other right or remedy provided or permitted by law or in equity

SECTION 11
TRANSFER OF INTEREST

11 1 This Agreement is personal to you and you shall neither sell, assign, transfer nor encumber this Agreement, the Development Rights, or any other interest hereunder, nor suffer or permit any such assignment, transfer or encumbrance to occur directly, indirectly or contingently by agreement or by operation of law without our prior written consent You understand that this Agreement may not be pledged, mortgaged, hypothecated, given as security for an obligation or in any manner encumbered The assignment or transfer of any interest, except in accordance with this Section shall constitute a material breach of this Agreement

11 2 In the event that you are a corporation or desire to conduct business in a corporate capacity, said corporate entity or assignment to a corporate entity (which may include a corporation, limited liability company or partnership) must receive our prior written approval and you agree to comply with the provisions hereinafter specified, including without limitation, personal guarantees by one or more equity owners of all of the obligations of said corporate entity or assignee corporate entity to us and other parties designated by us The corporate entity or assignee corporate entity shall not engage in any business activities other than those directly related to the operation of the Restaurant(s) pursuant to the terms and conditions of the Franchise Agreements with us, and all assets related to the operation of the Restaurant(s) shall be held by the corporate entity or assignee corporate entity There shall be no transfer fee charged by us for a one (1) time assignment to a corporate entity

11 3 If you are a corporation or if your rights hereunder are assigned to a corporate entity, you or those individuals disclosed on Attachment "B" attached hereto shall be the legal and beneficial owner of not less than fifty-one percent (51%) of the outstanding equity of said entity and shall act as such entity's principal officer The assignment to a corporate entity will not relieve you of personal liability to us for performance of any of the obligations under this Agreement Any subsequent transfer of voting rights of the equity of the entity or assignee entity, and any transfer or issuance of equity of the entity or assignee entity shall be subject to our prior written approval We agree that we will not unreasonably restrict the issuance or transfer of equity, provided that you comply with the provisions of this Section 11, and provided that in no event shall any equity of such corporate entity or assignee corporate entity be sold, transferred or assigned to a business competitor of ours The articles of organization and governing documents (including by-laws, operating agreement or partnership agreement) of the entity or assignee entity shall reflect that the issuance and transfer of equity is restricted, and all certificates shall bear the following legend, which shall be printed legibly and conspicuously on each certificate

> **"The transfer of this certificate is subject to the terms and conditions of an Multi-Unit Operator Agreement with Boardwalk Fresh Burgers and Fries, Inc , t/a Boardwalk Fries Burgers Shakes, dated __________ Reference is made to said Multi-Unit Operator Agreement and related Franchise Agreements and to restrictive provisions of the governing documents of this entity "**

11 4 The entity or assignee entity's records shall indicate that a stop transfer order shall be in effect against the transfer of any equity, except for transfers permitted by this Section 11 In addition to the foregoing, the equity of such entity or assignee entity shall not be publicly sold or traded without our prior express written consent, which shall be given at our sole discretion In the event that we approve a public offering of you, you shall present the Disclosure Document or prospectus to us for our review within a reasonable time prior to such offering becoming effective In no event shall you offer your securities by use of the name "Boardwalk Fries Burgers Shakes" or any name deceptively similar thereto, however, you may make appropriate reference to the fact that you have a Multi-Unit Operator Agreement with us, nor shall you relinquish control of the new public company You agree to indemnify and hold us harmless from and against any claims, suits, actions or otherwise which arise out of or from such public offering

11 5 In the event of your death, disability or permanent incapacity, we shall consent to the transfer of all of the interest of you to your spouse, heirs or relatives, by blood or marriage, or if this Agreement was originally executed by more than one party, then to the remaining party(ies) who originally executed this Agreement, whether such transfer is made by your Last Will and Testament or by operation of law, provided that the requirements of Section 11 hereof have been met In the event that your heirs do not obtain our consent as prescribed herein, your personal representative shall have a reasonable time to dispose of your interest hereunder, which disposition shall be subject to all the terms and conditions for transfers under this Agreement

11 6 You have represented to us that you are entering into this Multi-Unit Operator Agreement with the intention of complying with its terms and conditions and not for the purpose of resale of the Development Rights hereunder Therefore, you agree that any attempt to assign this Agreement, prior to the time that at least twenty-five percent (25%) of the Restaurant(s) to be constructed hereunder are opened or under construction, except pursuant to Sections 11 2 and 11 3 hereof, shall be deemed to be an event of default

11 7 Except as provided in Section 11 6, if you receive from an unaffiliated third party and desires to accept a bona fide written offer to purchase your business, Development Rights and interests, we shall have the option, exercisable within thirty (30) days after receipt of written notice setting forth the name and address of the prospective purchaser, the price and terms of such offer, and a copy of such offer and the other information stated in this Section 11 7, to purchase such business, Development Rights and interests, including your right to develop sites within the Exclusive Area, on the same terms and conditions as offered by said third party In order that we may have information sufficient to enable us to determine whether to exercise this option, we may require you to deliver to us certified financial statements as of the end of your most recent fiscal year and such other information about your business and operations as we may request If we decline, or do not accept the offer in writing within thirty (30) days, you may, within thirty (30) days from the expiration of the option period, sell, assign and transfer your business, Development Rights and interest to said third party, provided we have consented to such transfer as required by this Section 11 Any material change in the terms of the offer prior to closing of the sale to such third party shall constitute a new offer, subject to the same rights of first refusal by us or our nominee, as in the case of an initial offer Our failure to exercise the option afforded by this Section 11 7 shall not constitute a waiver of any other provision of this Agreement, including all of the requirements of this Section with respect to the proposed transfer

11 8 You acknowledge and agree that the restrictions on transfer imposed herein are reasonable and are necessary to protect the Development Rights, the System and the Marks, as well as our reputation and image, and are for the protection of us, you and other multi-unit operators and franchisees Any assignment or transfer permitted by this Section 11 shall not be effective until we receive a completely executed copy of all transfer documents, and we consent in writing thereto

11 9 Except as provided in Section 11 6 hereof, we agree not to unreasonably withhold our consent to a sale, assignment or transfer by you hereunder Consent to such transfer otherwise permitted or permissible as reasonable may be refused unless

11 9 1 All of your obligations created by this Agreement, all other franchise documents, including all Franchise Agreements, and the relationship created hereunder are assumed by the transferee

11 9 2 All ascertained or liquidated debts of you to us or our affiliated or subsidiary corporations are paid

11 9 3 You are not in default hereunder

11 9 4 We are reasonably satisfied that the transferee meets all of our requirements for new multi-unit operators, including but not limited to, good reputation and character, business acumen, operational ability, management skills, financial strength and other business considerations

11 9 5 Transferee executes or, in appropriate circumstances, causes all necessary parties to execute, our standard form of Multi-Unit Operator Agreement, Franchise Agreements for all Restaurants open or under construction hereunder, and such other then-current ancillary agreements being required by us of new multi-unit operators on the date of transfer

11 9 6 You execute a general release, in a form satisfactory to us, of any and all claims against us, our officers, directors, employees and principal stockholders of any and all claims and causes of action that you may have against us or any subsidiary or affiliated corporations in any way relating to this Agreement or the performance or non-performance thereof by us

11 9 7 You or transferee pay to us a transfer fee in an amount equal to Fifty Thousand Dollars ($50,000) to cover our reasonable costs in effecting the transfer

11 10 Upon the death or mental incapacity of any person with an interest of more than fifty percent (50%) in this Agreement or in you, the executor, administrator or personal representative of such person shall transfer his interest to a third party approved by us within twelve (12) months Such transfers, including, without limitation, transfers by devise or inheritance, shall be subject to the same conditions as any *inter vivos* transfer However, in the case of transfer by devise or inheritance, if the heirs or beneficiaries of any such person are unable to meet the conditions stated in Section 11 1 hereof, the personal representative of the deceased shall have a reasonable time, not to exceed twelve (12) months from the date said personal representative is appointed, to dispose of the deceased's interest in you or in the Development Rights, which disposition shall be subject to all the terms and conditions for transfers contained in this Agreement It is understood and agreed, however, that notwithstanding the foregoing, the Minimum Performance Schedule shall be complied with as though no such death or mental incapacity had occurred In the event the interest described above is not disposed of within such time, we shall have the right to terminate this Agreement, provided such termination had not previously occurred for failure to perform pursuant to the Minimum Performance Schedule, upon ninety (90) days' notice to your representative, or we shall have the right to re-purchase same at the same price being sought by your representative

11 11 Our consent to a transfer of any interest in you or in the Development Rights pursuant to this Section shall not constitute a waiver of any claims we may have against the transferring party, nor shall it be deemed a waiver of our right to demand exact compliance with any of the terms of this Agreement by the transferee

11 12 We shall have the right, without the need for your consent, to assign, transfer or sell our rights under this Agreement to any person, partnership, corporation or other legal entity provided that the transferee agrees in writing to assume all obligations undertaken by us herein and you receive a statement from both us and our transferee to that effect Upon such assignment and assumption, we shall be under no further obligation hereunder, except for accrued liabilities, if any You further agree and affirm that we may go public, may engage in a private placement of some or all of our securities, may merge, acquire other corporations, or be acquired by another corporation, and/or may undertake a refinancing, recapitalization, leveraged buyout or other economic or financial restructuring With regard to any of the above sales, assignments and dispositions, you expressly and specifically waive any claims, demands or damages arising from or related to the loss of our name, Marks (or any variation thereof) and System and/or the loss of association with or identification of Boardwalk Fresh Burgers and Fries, Inc as Franchisor, t/a Boardwalk Fries Burgers Shakes, under this Agreement You specifically waive any and all other claims, demands or damages arising from or related to the foregoing merger, acquisition and other business combination activities including, without limitation, any claim of divided loyalty, breach of fiduciary duty, fraud, breach of contract or breach of the implied covenant of good faith and fair dealing

You agree that we have the right, now or in the future, to purchase, merge, acquire or affiliate with an existing competitive or non-competitive franchise network, chain or any other business, regardless of the location of that chain's or business' facilities, and to operate, franchise or license those businesses and/or facilities as "Boardwalk Fries Burgers Shakes" Restaurants operating under the Marks or any other marks following our purchase, merger, acquisition or affiliation, regardless of the location of these facilities, except that in the event that any of these businesses are located within the Exclusive Area, they will not become "Boardwalk Fries Burgers Shakes" Restaurants

If we assign our rights in this Agreement, nothing herein shall be deemed to require us to remain in the restaurant business or to offer or sell any products or services to you

SECTION 12
COVENANTS

12 1 You specifically acknowledge that, pursuant to this Agreement, you will receive valuable training and confidential information, including, without limitation, secret recipes, information regarding the marketing methods and techniques of us and the System You covenant that during the term of this Agreement, except as otherwise approved in writing by us, you and persons controlling, controlled by or under common control with you shall not, either directly or indirectly, for yourself/himself, or through, on behalf of or in conjunction with any person, persons or legal entity

12 1 1 Divert or attempt to divert any business or client of the Franchised Business to any competitor, by direct or indirect inducement or otherwise, or do or perform, directly or indirectly, any other act injurious or prejudicial to the goodwill associated with the Marks and the System

12 1 2 Employ or seek to employ any person who is at the time employed by us or by any other franchisee or multi-unit operator of ours, or otherwise directly or indirectly induce or seek to induce such person to leave his or her employment thereat

12 1 3 Own, maintain, advise, help, invest in, make loans to, be employed by, engage in or have any interest in any restaurant or food service business other than the Franchised Business (including any business operated by you prior to entry into this Agreement), which business is of a character and concept similar to the Restaurant, including a restaurant which offers and sells the same or similar food products (a "Competitive Business")

12 2 You covenant that, except as otherwise approved in writing by us, you shall not, for a continuous and uninterrupted period commencing upon the expiration or termination of this Agreement, or upon transfer, and continuing for two (2) years thereafter (and, in case of any violation of this covenant, for two (2) years after the violation ceases), either directly or indirectly, for yourself, or through, on behalf of or in conjunction with any person, persons, partnership or corporation, own, maintain, advise, help, invest in, make loans to, be employed by, engage in or have any interest in any Competitive Business which is located within twenty-five (25) miles of any Boardwalk Fries Burgers Shakes Restaurant in the System

12 3 Subsections 12 1 3 and 12 2 of this Section shall not apply to ownership by you of less than a five percent (5%) beneficial interest in the outstanding equity securities of any corporation which is registered under the Securities Exchange Act of 1934

12 4 The parties agree that each of the foregoing covenants shall be construed as independent of any other covenant or provision of this Agreement If all or any portion of a covenant in this Section 12 is held unreasonable or unenforceable by a court or agency having valid jurisdiction in any unappealed final decision to which we are a party, you expressly agree to be bound by any lesser covenant subsumed within the terms of such covenant that imposes the maximum duty permitted by law, as if the resulting covenant were separately stated in and made a part of this Section 12

12 5 You understand and acknowledge that we shall have the right, in our sole discretion, to reduce the scope of any covenant stated in Sections 12 1 and 12 2 or any portion thereof, without your

consent, effective immediately upon receipt by you of written notice thereof, and you agree that you shall comply forthwith with any covenant as so modified, which shall be fully enforceable notwithstanding the provisions of Section 16 hereof

12 6 You expressly agree that the existence of any claim you may have against us, whether or not arising from this Agreement, shall not constitute a defense to our enforcement of the covenants in this Section 12

12 7 You acknowledge that any failure to comply with the requirements of this Section 12 would cause us irreparable injury for which no adequate remedy at law may be available, and you hereby accordingly consent to our seeking injunctive relief prohibiting any conduct by you in violation of the terms of this Section 12 We may further avail ourselves of any other legal or equitable rights and remedies which we may have under this Agreement or otherwise

12 8 At our request, you shall require and obtain the execution of covenants similar to those described in this Section 12 (including covenants applicable upon the termination of a person's relationship with you) from any or all of the following persons

12 8 1 All Restaurant managers of yours who have received training from us,

12 8 2 All officers, directors and holders of a beneficial interest of five percent (5%) or more of the securities of you and of any entity directly or indirectly controlling you, if you are a corporation or limited liability company, and

12 8 3 The general partners and any limited partners (including any corporation, and the officers, directors and holders of a beneficial interest of five percent (5%) or more of the securities of any corporation which controls, directly or indirectly, any general or limited partner), if you are a partnership

Each covenant required by this Section 12 8 shall be in a form satisfactory to us, including, without limitation, specific identification of us as a third party beneficiary of such covenants with the independent right to enforce them Your failure to obtain execution of a covenant required by this Section 12 8 shall constitute a default under Section 9 hereof

12 9 During the term of this Agreement, an officer or agent of ours shall have the right to inspect any Restaurant in which you have an interest at reasonable times and during normal business hours to the extent reasonably necessary to determine whether the conditions of this Section 12 are being satisfied If, by reason of such inspections or otherwise, we have reason to believe that you are not in full compliance with the terms of this Section, we shall give notice of such default to you, specifying the nature of such default If you deny that you are in default hereunder, as specified by us, you shall have the burden of establishing that such default does not exist and shall give notice to us of your position within ten (10) days of receipt of the notice from us Unless you so deny such default, you shall immediately take all steps to cure said default in a manner satisfactory to us

SECTION 13
NOTICES

Any and all notices required or permitted under this Agreement shall be in writing and shall be personally delivered or mailed by certified or registered mail, return receipt requested, overnight delivery service or facsimile to the respective parties at the following addresses unless and until a different address has been designated by written notice to the other party

Notices to Franchisor

Boardwalk Fresh Burgers and Fries, Inc
t/a Boardwalk Fries Burgers Shakes
9220 Rumsey Road, Suite 101
Columbia, Maryland 21045
ATTENTION President
Facsimile

COPY TO

Harold L Kestenbaum, Esq
~~90 Merrick Avenue~~175 Broadhollow Road, Suite ~~601~~175
~~East Meadow~~Melville, New York ~~11554~~11747
Facsimile (516) 745-0293

Notices to the Multi-Unit Operator

____
____
____

Any notice by certified or registered mail shall be deemed to have been given at the date and time of mailing

SECTION 14
INDEPENDENT CONTRACTOR AND INDEMNIFICATION

14 1 It is understood and agreed by the parties hereto that this Agreement does not create a fiduciary relationship between them, and that nothing in this Agreement is intended to constitute either party an agent, legal representative, subsidiary, joint venturer, partner, employee or servant of the other for any purpose whatsoever Each party to this Agreement is an independent contractor, and neither shall be responsible for the debts or liabilities incurred by the other

14 2 You shall hold yourself out to the public to be an independent contractor operating pursuant to this Agreement You agree to take such actions as shall be necessary to that end

14 3 You understand and agree that nothing in this Agreement authorizes you to make any contract, agreement, warranty or representation on our behalf, or to incur any debt or other obligation in our name, and that we assume no liability for, nor shall be deemed liable by reason of, any act or omission of yours or any claim or judgment arising therefrom You shall indemnify and hold us and our officers, directors, and employees harmless against any and all such claims arising directly or indirectly from, as a result of, or in connection with your activities hereunder, as well as the cost, including reasonable attorneys' fees, of defending against them, except that the foregoing shall not apply to infringement actions regarding the Marks which are caused solely by our actions or actions caused by the negligent acts of us or our agents

SECTION 15
APPROVALS

15 1 Whenever this Agreement requires our prior approval or consent, you shall make a timely written request to us for such approval or consent, and, except as otherwise provided herein, any approval or consent granted shall be in writing

15 2 We make no warranties or guarantees upon which you may rely, and assume no liability or obligation to you or any third party to which we would not otherwise be subject, by providing any waiver, approval, advise, consent or services to you in connection with this Agreement, or by reason of any neglect, delay or denial of any request therefor

SECTION 16
NON-WAIVER

No failure of ours to exercise any power reserved to us under this Agreement or to insist upon compliance by you with any obligation or condition in this Agreement, and no custom or practice of the parties at variance with the terms hereof, shall constitute a waiver of our rights to demand exact compliance with the terms of this Agreement Our waiver of any particular default shall not affect or impair our right with respect to any subsequent default of the same or of a different nature, nor shall any delay, forbearance or omission of ours to exercise any power or right arising out of any breach or default by you of any of the terms, provisions or covenants of this Agreement affect or impair our rights, nor shall such constitute a waiver by us of any rights hereunder or rights to declare any subsequent breach or default

SECTION 17
SEVERABILITY AND CONSTRUCTION

17 1 Each covenant and provision of this Agreement shall be construed as independent of any other covenant or provision of this Agreement The provisions of this Agreement shall be deemed severable

17 2 If all or any portion of a covenant or provision of this Agreement is held unreasonable or unenforceable by a court or agency having valid jurisdiction in a decision to which we are a party, you expressly agree to be bound by any lesser covenant or provision imposing the maximum duty permitted by law which is subsumed within the terms of such covenant or provision, as if that lesser covenant or provision were separately stated in and made a part of this Agreement

17 3 Nothing in this Agreement shall confer upon any person or legal entity other than us or you, and such of our respective successors and assigns as may be contemplated by Section 11 hereof, any rights or remedies under or by reason of this Agreement

17 4 All captions in this Agreement are intended solely for the convenience of the parties and none shall be deemed to affect the meaning or construction of any provision hereof

17 5 All references herein to gender and number shall be construed to include such other gender and number as the context may require, and all acknowledgments, promises, covenants, agreements and obligations herein made or undertaken by you shall be deemed jointly and severally undertaken by all those executing this Agreement on your behalf

17 6 This Agreement may be executed in triplicate, or such other number as is required, and each copy of the executed Agreement shall be deemed an original

SECTION 18
ENTIRE AGREEMENT, APPLICABLE LAW

This Agreement, the documents referred to herein and the Exhibits attached hereto constitute the entire, full and complete agreement between us and you concerning the subject matter hereof and supersede any and all prior agreements, provided, however, that nothing in this or any related agreement is intended to disclaim the representations made by us in the Disclosure Document that was furnished to you by us No amendment, change or variance from this Agreement shall be binding on either party unless mutually agreed to by the parties and executed by their authorized officers or agents in writing This Agreement shall be interpreted and construed under the laws of the State of Maryland, and the parties hereto consent to irrevocably submit to the jurisdiction of all courts located within the County of Howard, Maryland

SECTION 19
DISPUTE RESOLUTION

19 1 Except to the extent we elect to enforce the provisions of this Agreement by judicial process and injunction in our sole discretion, all disputes, claims and controversies between the parties arising under or in connection with this Agreement or the making, performance or interpretation thereof (including claims of fraud in the inducement and other claims of fraud and the arbitrability of any matter) which have not been settled through negotiation or mediation will be settled by binding arbitration in Maryland under the authority of Maryland Statutes The arbitrator(s) will have a minimum of five (5) years experience in franchising or distribution law and will have the right to award specific performance of this Agreement If the parties cannot agree upon a mutually agreeable arbitrator, then the arbitration shall be conducted as per the selection method set forth in the Maryland Statutes The proceedings will be conducted under the commercial arbitration rules of the American Arbitration Association, to the extent such rules are not inconsistent with the provisions of this arbitration provision or the Maryland Statutes The decision of the arbitrator(s) will be final and binding on all parties This Section will survive termination or non-renewal of this Agreement under any circumstances Judgment upon the award of the arbitrator(s) may be entered in any court having jurisdiction thereof During the pendency of any arbitration proceeding, you and we shall fully perform our respective obligations under this Agreement

19 2 With respect to any claims, controversies or disputes which are not finally resolved through arbitration, or as otherwise provided above, you and your owners hereby irrevocably submit themselves to the jurisdiction of the state courts of Howard County, Maryland and the Federal District Court closest to Franchisor's headquarters You and your owners hereby waive all questions of personal jurisdiction for the purpose of carrying out this provision You and your owners hereby agree that service of process may be made upon any of them in any proceeding relating to or arising out of this Agreement or the relationship created by this Agreement by any means allowed by Maryland or federal law You and your owners further agree that venue for any proceeding relating to or arising out of this Agreement shall be Howard County, Maryland, provided, however, with respect to any action (1) for monies owed, (2) for injunctive or other extraordinary relief or (3) involving possession or disposition of, or other relief relating to, real property, we may bring such action in any State or Federal District Court which has jurisdiction With respect to all claims, controversies, disputes or actions, related to this Agreement or the relationship created thereby, this Agreement and any such related claims, controversies, disputes or actions shall be governed, enforced and interpreted under Maryland law

19 3 You, your owners and we acknowledge that the parties' agreement regarding applicable state law and forum set forth in Section 19 2 above provide each of the parties with the mutual benefit of

uniform interpretation of this Agreement and any dispute arising out of this Agreement or the parties' relationship created by this Agreement Each of you, your owners and we further acknowledge the receipt and sufficiency of mutual consideration for such benefit and that each party's agreement regarding applicable state law and choice of forum have been negotiated in good faith and are part of the benefit of the bargain reflected by this Agreement

19 4 You, your owners and we acknowledge that the execution of this Agreement and acceptance of the terms by the parties occurred in Howard County, Maryland, and further acknowledge that the performance of certain of your obligations arising under this Agreement, including, but not limited to, the payment of monies due hereunder and the satisfaction of certain training requirements of ours, shall occur in Howard County, Maryland

19 5 You, your owners and we hereby waive, to the fullest extent permitted by law, any right to or claim or any punitive, exemplary, incidental, indirect, special, consequential or other damages (including, without limitation, loss of profits) against either party, their officers, directors, shareholders, partners, agents, representatives, independent contractors, servants and employees, in their corporate and individual capacities, arising out of any cause whatsoever (whether such cause be based in contract, negligence, strict liability, other tort or otherwise) and agree that in the event of a dispute, either party shall be limited to the recovery of any actual damages sustained by it If any other term of this Agreement is found or determined to be unconscionable or unenforceable for any reason, the foregoing provisions of waiver by agreement of punitive, exemplary, incidental, indirect, special, consequential or other damages (including, without limitation, loss of profits) shall continue in full force and effect

SECTION 20
TIMELY PERFORMANCE

You hereby acknowledge that your timely development of the Restaurants in the Exclusive Area in accordance with the Minimum Performance Schedule is of material importance to us and you You agree, as a condition of the continuance of the rights granted hereunder, to develop and open Restaurants within the Exclusive Area in accordance with the Minimum Performance Schedule, to operate such Restaurants pursuant to the terms of the Franchise Agreements and to maintain all such Restaurants in operation continuously We agree to diligently act upon any request of or approval from you and any material delay in your ability to meet the Minimum Performance Schedule which is directly caused by our failure to act diligently upon a request for approval shall not constitute a default hereunder Further, a failure or delay in performance by any party to this Agreement shall not be a default hereunder if such failure or delay arises out of or results from a Force Majeure, which for purposes of this Agreement shall be defined as fire, flood, earthquake or other natural disasters, or acts of a public enemy, war, rebellion or sabotage

SECTION 21
ACKNOWLEDGMENTS

21 1 YOU ACKNOWLEDGE THAT THE SUCCESS OF THE BUSINESS VENTURE CONTEMPLATED BY THIS AGREEMENT INVOLVES SUBSTANTIAL BUSINESS RISKS AND WILL BE TOTALLY AND COMPLETELY DEPENDENT UPON YOUR ABILITY AS AN INDEPENDENT BUSINESS PERSON WE EXPRESSLY DISCLAIM THE MAKING OF, AND YOU ACKNOWLEDGE NOT HAVING RECEIVED, ANY WARRANTY OR GUARANTEE, EXPRESS OR IMPLIED, AS TO THE POTENTIAL VOLUME, PROFITS OR SUCCESS OF THE BUSINESS VENTURE CONTEMPLATED BY THIS AGREEMENT

21 2 YOU ACKNOWLEDGE HAVING RECEIVED, READ AND UNDERSTOOD THIS AGREEMENT, THE EXHIBITS ATTACHED HERETO AND AGREEMENTS RELATING HERETO, IF ANY, AND THE DISCLOSURE DOCUMENT DELIVERED SIMULTANEOUSLY HEREWITH, AND WE HAVE ACCORDED YOU AMPLE TIME AND OPPORTUNITY TO CONSULT WITH ADVISORS OF YOUR OWN CHOOSING ABOUT THE POTENTIAL RISKS OF ENTERING INTO THIS AGREEMENT

21 3 YOU ACKNOWLEDGE THAT YOU RECEIVED THE DISCLOSURE DOCUMENT REQUIRED BY THE TRADE REGULATION RULE OF THE FEDERAL TRADE COMMISSION ENTITLED "DISCLOSURE REQUIREMENTS AND PROHIBITIONS CONCERNING FRANCHISING AND BUSINESS OPPORTUNITY VENTURES" AT LEAST FOURTEEN (14) CALENDAR DAYS PRIOR TO THE DATE ON WHICH THIS AGREEMENT WAS EXECUTED

21 4 YOU AND EACH OF YOUR PRINCIPALS, IF A CORPORATE ENTITY, EXPRESSLY ACKNOWLEDGE THAT NEITHER YOU NOR THEY HAVE RELIED UPON ANY EARNINGS CLAIMS, SUCH AS ORAL OR WRITTEN STATEMENTS OR SUGGESTIONS, MADE BY ANY REPRESENTATIVE OF OR ANY OTHER PERSON PURPORTING TO BE ACTING ON OUR BEHALF REGARDING THE POTENTIAL FUTURE SALES, REVENUES OR PROFITS WHICH MAY BE DERIVED FROM OPERATION OF BOARDWALK FRIES BURGERS SHAKES RESTAURANTS OR DEVELOPMENT OF THE EXCLUSIVE AREA

SECTION 22
EFFECTIVE DATE

This Agreement shall be effective as of the date it is executed by us

IN WITNESS WHEREOF, the parties hereto have duly executed, sealed and delivered this Agreement in triplicate on the day and year first above written

BOARDWALK FRESH BURGERS AND FRIES, INC
t/a Boardwalk Fries Burgers Shakes

______________________	By ______________________
WITNESS	Name ______________________
	Title ______________________

MULTI-UNIT OPERATOR

______________________	By ______________________
WITNESS	Name ______________________
	Title ______________________

BOARDWALK FRESH BURGERS AND FRIES, INC
t/a Boardwalk Fries Burgers Shakes

MULTI-UNIT OPERATOR AGREEMENT

ATTACHMENT "A"
CERTIFICATION BY MULTI-UNIT OPERATOR

The undersigned, personally and as an officer or partner of Multi-Unit Operator, as applicable, does hereby certify that he has conducted an independent investigation of the business contemplated by this Multi-Unit Operator Agreement and the Boardwalk Fresh Burgers and Fries, Inc , t/a Boardwalk Fries Burgers Shakes, Franchise Agreement, and that the decision to execute the Multi-Unit Operator Agreement was based entirely upon the independent investigation by the undersigned, and the undersigned further certifies that he has not relied upon, in any way, any claims regarding potential sales, income, or earnings to be derived from the business contemplated by the Franchise Agreement and Multi-Unit Operator Agreement, and has not relied upon any claims regarding past or current sales, income or earnings of Franchisor-operated "Boardwalk Fries Burgers Shakes" Restaurants The undersigned further certified that he understands the risks involved in this investment and Boardwalk Fresh Burgers and Fries, Inc makes no representation or guaranty, explicit or implied, that the Multi-Unit Operator will be successful or will recoup his investment

IN WITNESS WHEREOF, the undersigned has signed, sealed and delivered this Certificate this _____ day of ________, 20__

______________________________	______________________________(SEAL)
WITNESS	
______________________________	______________________________(SEAL)
WITNESS	
______________________________	______________________________(SEAL)
WITNESS	

Each of the undersigned owns a five percent (5%) or greater beneficial interest in Multi-Unit Operator, each has read this Multi-Unit Operator Agreement, and each agrees to be individually bound by all obligations of Multi-Unit Operator hereunder

______________________________	______________________________
WITNESS	
______________________________	______________________________
WITNESS	
______________________________	______________________________
WITNESS	

BOARDWALK FRESH BURGERS AND FRIES, INC
t/a Boardwalk Fries Burgers Shakes

MULTI-UNIT OPERATOR AGREEMENT

ATTACHMENT "B"
GUARANTY

(TO BE EXECUTED ONLY IF MULTI-UNIT OPERATOR IS A CORPORATION, LIMITED LIABILITY COMPANY OR PARTNERSHIP)

In consideration of the execution by Boardwalk Fresh Burgers and Fries, Inc , t/a Boardwalk Fries Burgers Shakes, of the annexed Multi-Unit Operator Agreement, and acknowledging that undersigned will benefit directly or indirectly from the execution thereof, the undersigned, being all of the shareholders, directors, and officers of the Multi-Unit Operator, agree to be jointly and severally bound by and agree to guaranty the performance of all of the terms and conditions of the Multi-Unit Operator Agreement and any amendments thereto or renewals thereof, and do hereby execute this Multi-Unit Operator Agreement for the purpose of binding and obligating themselves to the terms and conditions of the aforesaid Multi-Unit Operator Agreement and any amendments thereto or renewals thereof

The guarantors hereunder hereby waive notice of termination or default under the Multi-Unit Operator Agreement

SIGNATURES OF ALL SHAREHOLDERS, DIRECTORS, OFFICERS, MEMBERS AND PARTNERS, AS APPLICABLE

______________________________ ______________________________(SEAL)
WITNESS

______________________________ ______________________________(SEAL)
WITNESS

______________________________ ______________________________(SEAL)
WITNESS

Each of the undersigned owns a five percent (5%) or greater beneficial interest in Multi-Unit Operator, each has read this Multi-Unit Operator Agreement, and each agrees to be individually bound by all obligations of Multi-Unit Operator hereunder

______________________________ ______________________________
WITNESS

______________________________ ______________________________
WITNESS

______________________________ ______________________________
WITNESS

BOARDWALK FRESH BURGERS AND FRIES, INC
MULTI-UNIT OPERATOR AGREEMENT

ATTACHMENT "C"
TRANSFER OF A FRANCHISE TO
A CORPORATION OR LIMITED LIABILITY COMPANY

This Transfer Agreement shall amend that certain Multi-Unit Operator Agreement between ___________, an individual with an address at _________________ ("Franchisee"), and Boardwalk Fresh Burgers and Fries, Inc , t/a Boardwalk Fries Burgers Shakes, a Delaware corporation headquartered at 9220 Rumsey Road, Suite 101, Columbia, Maryland 21045 ("Franchisor")

The undersigned, an Officer, Director and Owner of a majority of the issued and outstanding voting stock of the Corporation set forth below, or Members of the issued and outstanding Interests of the Limited Liability Company set forth below, and the Multi-Unit Operator of the Restaurants under an Multi-Unit Operator Agreement executed on the date set forth below, between himself or herself and Franchisor, granting him/her development rights in the Exclusive Area set forth below, and the other undersigned Directors, Officers and Shareholders of the Corporation, or the Members of the Limited Liability Company, who together with Multi-Unit Operator constitute all of the Shareholders of the Corporation, or the Members of the Limited Liability Company, in order to induce Franchisor to consent to the assignment of the Multi-Unit Operator Agreement to the Corporation or Limited Liability Company in accordance with the provisions of Section 11 of the Multi-Unit Operator Agreement, agree as follows

1 The undersigned Multi-Unit Operator shall remain personally liable in all respects under the Multi-Unit Operator Agreement and all the other undersigned Officers, Directors and Shareholders of the Corporation, or the Members of the Limited Liability Company, intending to be legally bound hereby, agree jointly and severally to be personally bound by the provisions of the Multi-Unit Operator Agreement including the restrictive covenants contained in Section 12 thereof, to the same extent as if each of them were the Multi-Unit Operator set forth in the Multi-Unit Operator Agreement and they jointly and severally personally guarantee all of the Multi-Unit Operator's obligations set forth in said Agreement

2 The undersigned agree not to transfer any stock in the Corporation, or any interest in the Limited Liability Company without the prior written approval of the Franchisor and agree that all stock certificates representing shares in the Corporation, or all certificates representing interests in the Limited Liability Company shall bear the following legend

> "The shares of stock represented by this certificate are subject to the terms and conditions set forth in an Multi-Unit Operator Agreement dated ___________, 20__ between ________________________ and Boardwalk Fresh Burgers and Fries, Inc t/a Boardwalk Fries Burgers Shakes"
>
> or
>
> "The ownership interests represented by this certificate are subject to the terms and conditions set forth in an Multi-Unit Operator Agreement dated ___________, 20__ between ________________________ and

Boardwalk Fresh Burgers and Fries, Inc t/a Boardwalk Fries Burgers Shakes"

3 __________________ or his designee shall devote his best efforts to the day-to-day operation and development of the Restaurants

4 __________________ hereby agrees to become a party to and to be bound by all of the provisions of the Multi-Unit Operator Agreement executed on the date set forth below between Multi-Unit Operator and Boardwalk Fresh Burgers and Fries, Inc t/a Boardwalk Fries Burgers Shakes, to the same extent as if it were named as the Multi-Unit Operator therein

Date of Multi-Unit Operator Agreement ____________________________________

Exclusive Area for Restaurants ____

WITNESS

____

____

As to Paragraph 3

____
[Name]

As to Paragraph 4

____
[Name]

ATTEST

____

____
Name of Corp or Limited Liability Company

By ______________________ (SEAL)
Title __________________________

In consideration of the execution of the above Agreement, Boardwalk Fresh Burgers and Fries, Inc , t/a Boardwalk Fries Burgers Shakes, hereby consents to the above referred to assignment on this _____ day of _________________, 20____

BOARDWALK FRESH BURGERS AND FRIES, INC
t/a Boardwalk Fries Burgers Shakes

By ___________________________
Name _________________________
Title __________________________

BOARDWALK FRESH BURGERS AND FRIES, INC
t/a Boardwalk Fries Burgers Shakes

MULTI-UNIT OPERATOR AGREEMENT

EXHIBIT "A"

Minimum Performance Schedule

The Agreement authorizes and obliges Multi-Unit Operator to establish and operate ____________ (_____) "Boardwalk Fries Burgers Shakes" Restaurants pursuant to a Franchise Agreement for each Restaurant The following is Multi-Unit Operator's Minimum Performance Schedule

Minimum Cumulative Number of Franchise Agreements for Restaurants to be located and Operating Within the Exclusive Area	By this Date
________________	________________
________________	________________
________________	________________
________________	________________
________________	________________

Total ________

APPROVED

MULTI-UNIT OPERATOR

By ____________________________
Name __________________________
Title ___________________________

BOARDWALK FRESH BURGERS AND FRIES, INC
t/a Boardwalk Fries Burgers Shakes

By ____________________________
Name __________________________
Title ___________________________

BOARDWALK FRESH BURGERS AND FRIES, INC
t/a Boardwalk Fries Burgers Shakes

MULTI-UNIT OPERATOR AGREEMENT

EXHIBIT "B"

Exclusive Area

The following describes the Exclusive Area within which Multi-Unit Operator may locate "Boardwalk Fries Burgers Shakes" Restaurants under this Agreement

APPROVED

MULTI-UNIT OPERATOR

By ____________________________
Name __________________________
Title ___________________________

BOARDWALK FRESH BURGERS AND FRIES, INC
t/a Boardwalk Fries Burgers Shakes

By ____________________________
Name __________________________
Title ___________________________

EXHIBIT D TO THE DISCLOSURE DOCUMENT
LIST OF FRANCHISEES AND MULTI-UNIT OPERATORS

(Updated as of January 31, ~~2016~~2017)

FRANCHISEES OPEN

California	
EWM Investments, LLC Andrew Ritchie 3445 Seminole Trail, Ste 294 Charlottesville, VA 22911 (434) 249-1916 Location ~~Huntington~~Hermosa Beach, CA	EWM Investments, LLC Andrew Ritchie 3445 Seminole Trail, Ste 294 Charlottesville, VA 22911 (434) 249-1916 Location ~~Hermosa~~Huntington Beach, CA
MDR Burgers, LLC Manishh Gajiwala, managing member 691 Tasman Drive Sunnyvale, CA 94089 (619) 726-7477	
Georgia	
Tersylbran, Inc Hartsfield Jackson International Airport 6000 North Terminal Parkway Concourse A Atlanta, GA 30320	
Maryland	
Joseph D Sanphillipo 3611 Washington Boulevard Suite 104 & 106 Baltimore, MD 21227-1667 (410) 242-0040 Location Halethorpe, Maryland	Burger Venue, Inc. Anthony Kahng 12320 Oak Ridge Road Fairfax, VA 22033 (202) 276-1660 Location, Bethesda, MD
Michigan	
Ford RD Foodservices Inc. Alan Harajli 10000 Ford Road Dearborn, MI 48126 313-475-2677 Location, Dearborn, MI	

New Jersey	
Josef Najar 36 East 72nd Street New York, NY 10021 (201) 683-0313 Location 832 Washington Street Hoboken, NJ 07030	
Oregon	
~~Lalit~~Nishitkumar V. Patel, ~~Managing Member~~Anurag B Patel ~~BDG Oregon, LLC~~ ~~4739 N. Interstate~~ 10950 Southwest Barnes Road Portland, OR ~~97217~~97225 (503~~) 515-6550~~-277-5288 Location ~~Greenway Town Center, Tigard~~Peterkort Towne Square, Portland, OR	~~Nishitkumar V~~ Lalit Patel, ~~Anurag B Patel~~Managing Member ~~10950 Southwest Barnes Road~~ BDG Oregon, LLC 4739 N. Interstate Portland, OR ~~97225~~97217 (503~~-277-5288~~) 515-6550 Location ~~Peterkort Towne Square Portland~~ Greenway Town Center, Tigard, OR
~~Sun Sun Burden and Ramsey Zawideh~~ ~~BZ Ventures, LLC~~ ~~19363 Williamette Drive, #188~~ ~~West Linn, Or 97068~~ ~~(503) 481-2873~~ ~~Location 9993 SE 82nd Ave , Happy Valley, OR 97086~~	~~Sun Sun Burden and Ramsey Zawideh~~ ~~BZ Ventures, LLC~~ ~~19363 Williamette Drive, #188~~ ~~West Linn, Or 97068~~ ~~(503) 481-2873~~ ~~Location Jantzen Beach~~ ~~12176 North Pavilion Avenue~~ ~~Portland, OR, 97217~~
Virginia	
Viran Patel Manchester Lake Boardwalk LLC 7051 Manchester Blvd , Ste E Alexandria, VA 22310 703-719-0022 Location Manchester Lakes, Alexandria, VA	

FRANCHISES NOT YET OPEN

~~MAD BURGERS,~~JARDIN HILL LLC ~~Manishh Gajiwala~~Gary Chan, managing member ~~12 Summerlane Drive~~ ~~South San Francisco, CA 94080~~ ~~Opening~~11285 Grooms Rd. Cincinnati, OH 45242 (513) 258-2216 Location, TBD in ~~late 2016~~Ohio	~~JARDIN HILL LLC~~ ~~Gary Chan, managing member~~ ~~11285 Grooms Rd~~ ~~Cincinnati, OH 45242~~ ~~(513) 258-2216~~ ~~Location TBD in Ohio~~
~~Ford RD Foodservices Inc~~ ~~Alan Harajli~~ ~~10000 Ford Road~~ ~~Dearborn, MI 48126~~ ~~313-475-2677~~ ~~Location Dearborn, MI opening in 2016~~	

International Franchisees

Canada	
1746341 Alberta Ltd Saj Khan 14 Royal Birch Hill NW Calgary Alberta T3G 5X7 403-807-3282 Location Acadia Shopping Center 8303 Fairmount Drive SE Calgary Alberta T2H0Y9	ROKA 7 ENTERPRISES LTD 22 Rainbow Blvd Rocky View County, AB, T4A 0N6 403-828-2767 Location 730,20 Crowfoot Crescent NW Calgary AB T3G 3T2
188433 Alberta LTD Saj Khan 14 Royal Birch Hill NW Calgary Alberta T3G 5X7 403-807-3282 Location, Unit 1, 1301 8th Street SW Airdrie, Alberta T2H0Y9	

~~188433 Alberta LTD~~ ~~Saj~~Mohammad Sajid Khan 14 Royal Birch Hill NW Calgary Alberta T3G 5X7 403-807-3282 Location ~~Unit 1, 1301 8th Street~~13 Southland Crescent SW, ~~Airdrie, Alberta T2H0Y9~~Calgary, AB T2W 0K3	~~Bala Food, Inc~~ ~~Behzad Movassaghian~~ ~~No 57 Patterson Hill SW~~ 1927223 Alberta Ltd 218 Pantego Lane NW Calgary, Alberta ~~T3H 2E6~~T3K 0T1 ~~email behzad movassaghian@gmail com~~ 403-932-9799 Location ~~Unit 1005 West Springs Village 873-85~~ 20 Quarry Street ~~SW (Shopping Center)~~East ~~West Springs, Calgary~~Cochrane, Alberta T4C 0W6
Noor, Inc. Mohammad Sajid Khan 14 Royal Birch Hill NW Calgary Alberta T3G 5X7 403-807-3282 Location. 3307 32nd Avenue NE Calgary, AB T1Y 5X7	
Iraq	
HTS Enterprises LLC 4801 N Henderson Road, #806 Arlington, VA 22203 Location Bagdad - Jadriyah Street Oasis Mall, Food Court across from Baghdad University	
Saudia Arabia	
Musaid Al Sayyar Trading Est P O Box 40364 Riyadh, Riyadh 11499 Kingdom of Saudi Arabia 0114153094 Location Aahksosy Road south of King Abdullah Road, Almusa Showroom, Riyadh, Saudi Arabia	Musaid Al Sayyar Trading Est P O Box 40364 Riyadh, Riyadh 11499 Kingdom of Saudi Arabia Location BoardWalk Azizyah, Azizyah complex, Opposite to Kink Fisal Hospital ,Maazar Dist Riyadh, Saudi Arabia

Musaid Al Sayyar Trading Est P.O. Box 40364 Riyadh, Riyadh 11499 Kingdom of Saudi Arabia 0114153094 Location. Althaar Plaza Diriya exit, Riyadh Saudi Arabia	

INTERNATIONAL FRANCHISES NOT YET OPEN.

Mohammad Sajid Khan 14 Royal Birch Hill NW Calgary Alberta T3G 5X7 403-807-3282 Location Sage Hill Gate NW Sage Hill Calgary, Alberta T3R 0S4 Opening in 2017	

Area Developers. None

EXHIBIT D-1 TO THE DISCLOSURE DOCUMENT
LIST OF DEVELOPMENT AGENTS

(Updated as of January 31, ~~2016~~2017)

Mad Burgers, LLC Manishh Gajiwala, managing member 270 South Abbott Ave Milpitas, CA 95035 (619) 726-7477 Development Area For All areas of California north of Santa Barbara, including up to the Oregon/California border Agreement signed 3/18/2014	Boardwalk Florida, LLC Irene Jung 4104 South Ocean Blvd Highland Beach, FL 33487 (954) 907-1655 Development Area State of Florida
Jardin Hill LLC Gary Chan, managing member 11285 Grooms Rd Cincinnati, OH 45242 (513) 258-2216 Development Area State of Ohio, to include a portion of Kentucky from Warsaw to Maysville	Lalit Patel 4739 North Interstate Portland, OR 97217 (503) 352-5690 Development Area The State of Oregon, including Clark County and Cowlitz County in Washington State
EWM Investments, LLC Andrew Ritchie Suite C-6, 175 East Reno Avenue Las Vegas, NV 89119 (434) 249-1916 Development Area Texas, excluding the Houston market, Southern California	

EXHIBIT E TO THE DISCLOSURE DOCUMENT
FRANCHISEES AND MULTI-UNIT OPERATORS
WHO HAVE LEFT THE SYSTEM

(Updated as of January 31, ~~2016~~2017)

FRANCHISEES

Mohammed Siddique Location Manchester Lakes, Alexandria VA Transfer in fye 2015	
Ventures and Investment Partners, Inc Eduard Isabekian 6100 De Soto Avenue, Unit 235 Woodland Hills, CA 91367 (818) 397-2788 Location Encino, CA closed fye 2016	Lalit Patel, Managing Member BDG Oregon, LLC 4739 N Interstate Portland, OR 97217 (503) 515-6550 Location Greshman, OR closed fye 2016
EWM Investments, LLC Andrew Ritchie 3445 Seminole Trail, Ste 294 Charlottesville, VA 22911 (434) 249 1916 Location Broken Spoke, TX – closed 1 location fye 2016	Koteswara R Aluri Boardwalk Fresh Burgers, LLC 1512 Thurber St Herndon, VA 20710 (703) 919-0225 Location West Springfield, VA – closed fye 2016
Sun Sun Burden and Ramsey Zawideh BZ Ventures, LLC 19363 Williamette Drive, #188 West Linn, Or 97068 (503) 481-2873 Location, Happy Valley, OR 97086 – closed in fye 2017	Sun Sun Burden and Ramsey Zawideh BZ Ventures, LLC 19363 Williamette Drive, #188 West Linn, Or 97068 (503) 481-2873 Location, Jantzen Beach, Portland OR – closed in fye 2017

AREA DEVELOPERS None

International Franchisees.

Bala Food, Inc Behzad Movassaghian No. 57 Patterson Hill SW Calgary, Alberta T3H 2E6 email, behzad.movassaghian@gmail.com Location, Unit 1005 West Springs Village West Springs, Calgary, Alberta closed in fye 2017	

EXHIBIT F TO THE DISCLOSURE DOCUMENT
TABLE OF CONTENTS OF OPERATIONS MANUAL

Total number of pages - 97

EXHIBIT G TO THE DISCLOSURE DOCUMENT
STATE SPECIFIC ADDENDUM

ADDENDUM TO BOARDWALK FRESH BURGERS AND FRIES, INC
DISCLOSURE DOCUMENT REQUIRED BY THE STATE OF CALIFORNIA

CALIFORNIA APPENDIX

1 California Business and Professions Code Sections 20000 through 20043 provide rights to you concerning termination or non-renewal of a franchise If the Franchise Agreement or Multi-Unit Operator Agreement contains provisions that are inconsistent with the law, the law will control

2 The Franchise Agreement and Multi-Unit Operator Agreement provide for termination upon bankruptcy This provision may not be enforceable under Federal Bankruptcy Law (11 U S C A Sec 101 et seq)

3 The Franchise Agreement and Multi-Unit Operator Agreement contain covenants not to compete which extend beyond the termination of the agreements These provisions may not be enforceable under California law

4 Section 31125 of the California Corporation Code requires the franchisor to provide you with a disclosure document before asking you to agree to a material modification of an existing franchise

5 Neither the franchisor, any person or franchise broker in Item 2 of the Disclosure Document is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities Exchange Act of 1934, 15 U S C A 79a et seq , suspending or expelling such persons from membership in such association or exchange

6 The Franchise Agreement and Multi-Unit Operator Agreement require binding arbitration The arbitration will occur in Maryland with the costs being borne by the franchisee and franchisor Prospective franchisees are encouraged to consult private legal counsel to determine the applicability of California and federal laws (such as Business and Professions Code Section 20040 5 Code of Civil Procedure Section 1281, and the Federal Arbitration Act) to any provisions of a franchise agreement restricting venue to a forum outside the State of California Business and Professions Code Section 20040 5 relating to forum selection clauses restricting venue outside the state of California or arbitration may be preempted by the Federal Arbitration Act Section 20040 5 may still apply to any provision relating to judicial proceedings A binding arbitration provision may not be enforceable under generally applicable contract defenses, such as fraud, duress, or unconscionability

7 The Franchise Agreement and Multi-Unit Operator Agreement require application of the laws of Maryland This provision may not be enforceable under California law

8 You must sign a general release if you renew or transfer your franchise California Corporation Code 31512 voids a waiver of your rights under the Franchise Investment Law (California Corporations Code 31000 through 31516) Business and Professions Code 20010 voids a waiver of your rights under the Franchise Relations Act (Business and Professions Code 20000 through 20043)

9 THE CALIFORNIA FRANCHISE INVESTMENT LAW REQUIRES THAT A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE BE DELIVERED TOGETHER WITH THE DISCLOSURE DOCUMENT

10 Prospective franchisees are encouraged to consult private legal counsel to determine the applicability of California and federal laws (such as Business and Professions Code Section 20040 5 Code of Civil Procedure Section 1281, and the Federal Arbitration Act) to any provisions of a franchise agreement restricting venue to a forum outside the State of California

11 The Franchise Agreement contains a liquidated damages clause Under California Civil Code Section 1671, certain liquidated damages clauses are unenforceable

12 OUR WEBSITE, www boardwalkfries com, HAS NOT BEEN REVIEWED OR APPROVED BY THE CALIFORNIA DEPARTMENT OF BUSINESS OVERSIGHT ANY COMPLAINTS CONCERNING THE CONTENT OF THIS WEBSITE MAY BE DIRECTED TO THE CALIFORNIA DEPARTMENT OF BUSINESS OVERSIGHT at www dbo ca gov

13 The appropriate sections of the Franchise Agreement and Multi-Unit Operator Agreement are amended to state that the highest interest rate allowed under California law is 10% per annum

ADDENDUM TO THE BOARDWALK FRESH BURGERS AND FRIES, INC
DISCLOSURE DOCUMENT REQUIRED BY THE STATE OF ILLINOIS

~~1 The following item must be included within the Disclosure Document and shall replace the language that is in the Disclosure Document itself~~

Illinois law governs the agreements between the parties to this franchise.

Section 4~~, Jurisdiction and Venue,~~ of the Illinois Franchise Disclosure Act ~~of 1987 ("Act") states~~provides that ~~"~~any provision in the franchise agreement which designates jurisdiction or venue ~~in a forum~~ outside of ~~this~~the State ~~is void with respect to any cause of action which otherwise is enforceable in this State, provided that~~of Illinois is void. However, a franchise agreement may provide for arbitration ~~in a forum~~ outside of ~~this State " This~~ Illinois.

Section 41 of the ~~Act replaces any contradictory language contained in the~~Illinois Franchise ~~Agreement and Multi-Unit Operator Agreement~~

~~2 Illinois law governs the Franchise Agreement and Multi-Unit Operator Agreement~~

~~3 Any releases and/or waivers that we request you to sign must conform with Section 41, Waivers Void, of the Illinois Franchise Disclosure Act of 1987 which states that "~~Disclosure Act provides that any condition, stipulation, or provision purporting to bind any person acquiring any franchise to waive compliance with ~~any provision of this Act or any other law of this State is void This Section shall not prevent any person from entering into a settlement agreement or executing a general release regarding potential or actual lawsuit filed under any of the provisions of this Act, nor shall it prevent the arbitration of any claim pursuant to the provisions of Title 9 of the United States Code "~~the Illinois Franchise Disclosure Act or any other law of Illinois is void.

~~4 Under Illinois law at 200 608, Jurisdiction~~Your right upon termination and ~~Venue,~~ non-renewal of a franchise agreement ~~may not provide for a choice of law of any state other than Illinois The~~

~~Summary column of Items 17(v) and (w) of the Disclosure Document~~ are ~~amended to state "Illinois law" The appropriate~~set forth in sections 19 and 20 of the Illinois Franchise ~~Agreement and Multi-Unit Operator Agreement are amended accordingly~~

~~5 The appropriate sections of the Franchise Agreement and Multi Unit Operator Agreement are amended to comply with Section 27, Periods of Limitation, of the~~ Disclosure Act ~~to allow any and all claims and actions arising out of or relating to these Agreements, the relationship of Franchisor and Franchisee, Multi Unit Operator, or your operation of the Franchise brought by you against us shall be commenced within 3 years from the occurrence of the facts giving rise to such claim or action, within 1 year after you become aware of the facts or circumstances indicating you may have a claim for relief, or 90 days after delivery to you of a written notice disclosing the violation, or such claim or action will be barred~~

~~6 Item 17(g) of the Disclosure Document and the appropriate sections of the Franchise Agreement and Multi Unit Operator Agreement are amended by changing the time frame to cure defaults, excluding defaults for safety or security issues, to 30 days~~

DISCLOSURE REQUIRED BY THE STATE OF MICHIGAN

THE STATE OF MICHIGAN PROHIBITS CERTAIN UNFAIR PROVISIONS THAT ARE SOMETIMES IN FRANCHISE DOCUMENTS IF ANY OF THE FOLLOWING PROVISIONS ARE IN THESE FRANCHISE DOCUMENTS, THE PROVISIONS ARE VOID AND CANNOT BE ENFORCED AGAINST YOU

(a) A prohibition on the right of a franchisee to join an association of franchises

(b) A requirement that a franchisee assent to a release, assignment, novation, waiver or estoppel which deprives a franchisee of rights and protections provided in this act This shall not preclude a franchisee, after entering into a franchise agreement, from settling any and all claims

(c) A provision that permits a franchisor to terminate a franchise prior to the expiration of its term except for good cause Good cause shall include the failure of the franchisee to comply with any lawful provision of the franchise agreement and to cure such failure after being given written notice thereof and a reasonable opportunity, which in no event need be more than thirty (30) days, to cure such failure

(d) A provision that permits a franchisor to refuse to renew a franchise without fairly compensating the franchisee by repurchase or other means for the fair market value at the time of expiration of the franchisee's inventory, supplies, equipment, fixtures and furnishings Personalized materials which have no value to the franchisor and inventory, supplies, equipment, fixtures and furnishings not reasonably required in the conduct of the franchise business are not subject to compensation This subsection applies only if (i) the term of the franchise is less than five (5) years, and (ii) the franchisee is prohibited by the franchise or other agreement from continuing to conduct substantially the same business under another trademark, service mark, trade name, logotype, advertising or other commercial symbol in the same area subsequent to the expiration of the franchise or the franchisee does not receive at least six (6) months' advance notice of franchisor's intent not to renew the franchise

(e) A provision that permits the franchisor to refuse to renew a franchise on terms generally available to other franchisees of the same class or type under similar circumstances This section does not require a renewal provision

(f) A provision requiring that arbitration or litigation be conducted outside this state This shall not preclude the franchisee from entering into an agreement, at the time of arbitration, to conduct arbitration at a location outside this state

(g) A provision which permits a franchisor to refuse to permit a transfer of ownership of a franchise, except for good cause This subdivision does not prevent a franchisor from exercising a right of first refusal to purchase the franchise Good cause shall include, but is not limited to

(i) Failure of the proposed transferee to meet the franchisor's then-current reasonable qualifications or standards

(ii) The fact that the proposed transferee is a competitor of the franchisor or subfranchisor

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

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

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

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

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

If the franchisor's most recent financial statements are unaudited and show a net worth of less than $100,000, franchisee has the right to request an escrow arrangement

Any questions regarding this notice should be directed to

Consumer Protection Division
Attn Marilyn McEwen
525 W Ottawa Street, 6th Floor
Lansing, Michigan 48933
(517) 373-7117

ADDENDUM TO THE BOARDWALK FRESH BURGERS AND FRIES, INC FRANCHISE DISCLOSURE DOCUMENT REQUIRED BY THE DEPARTMENT OF LAW OF THE STATE OF NEW YORK

1 The following ~~Items are required~~information is added to ~~be included within~~ the cover page of the Franchise Disclosure Document ~~and shall be deemed to supersede the language in~~.

INFORMATION COMPARING FRANCHISORS IS AVAILABLE. CALL THE STATE ADMINISTRATORS LISTED IN EXHIBIT A OR YOUR PUBLIC LIBRARY FOR SOURCES OF INFORMATION. REGISTRATION OF THIS FRANCHISE BY NEW YORK STATE DOES NOT MEAN THAT NEW YORK STATE RECOMMENDS IT OR HAS VERIFIED THE INFORMATION IN THIS FRANCHISE DISCLOSURE DOCUMENT. IF YOU LEARN THAT ANYTHING IN THE FRANCHISE DISCLOSURE DOCUMENT IS UNTRUE, CONTACT THE FEDERAL TRADE COMMISSION AND NEW YORK STATE DEPARTMENT OF LAW, BUREAU OF INVESTOR PROTECTION AND SECURITIES, 120 BROADWAY, 23RD FLOOR, NEW YORK, NEW YORK 10271. THE FRANCHISOR MAY, IF IT CHOOSES, NEGOTIATE WITH YOU ABOUT ITEMS COVERED IN THE FRANCHISE DISCLOSURE DOCUMENT. HOWEVER, THE FRANCHISOR CANNOT USE THE NEGOTIATING PROCESS TO PREVAIL UPON A PROSPECTIVE FRANCHISEE TO ACCEPT TERMS WHICH ARE LESS FAVORABLE THAN THOSE SET FORTH IN THIS FRANCHISE DISCLOSURE DOCUMENT.

2. The following is added at the ~~Disclosure Document itself~~ end of Item 3.

~~3 LITIGATION~~

~~Neither~~ Except as provided above, with regard to the ~~Franchisor~~franchisor, its ~~Predecessor nor any~~ predecessor, a person ~~listed under~~identified in Item 2, or an affiliate offering franchises under ~~Franchisor's~~the franchisor's principal trademark

~~(A)~~ A No such party has an administrative, criminal or civil action pending against that person alleging a felony, a violation of a franchise, antitrust, or securities law, fraud, embezzlement, fraudulent conversion, misappropriation of property, unfair or deceptive practices, or comparable civil or misdemeanor allegations

~~(B)~~ B. No such party has pending actions, other than routine litigation incidental to the business, which are significant in the context of the number of franchisees and the size, nature or financial condition of the franchise system or its business operations.

C. No such party has been convicted of a felony or pleaded nolo contendere to a felony charge or, within the ~~ten~~10 year period immediately preceding the application for registration, has been convicted of or pleaded nolo contendere to a misdemeanor charge or has been the subject of a civil action alleging -violation of a franchise~~, anti fraud~~, antifraud, or securities law, fraud, embezzlement, fraudulent conversion or misappropriation of property, or unfair or deceptive practices~~,~~ or comparable allegations

~~(C)~~ D. No such party is subject to a currently effective injunctive or restrictive order or decree relating to the franchise, or under a Federal, State, or Canadian franchise, securities, antitrust, trade regulation or trade practice law, resulting from a concluded or pending action or proceeding brought by a public agency, or is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities and Exchange Act of 1934, suspending or expelling such person from membership in such association or exchange, or is subject to a currently effective injunctive or restrictive order relating to any other business activity as a result of an action brought by a public agency or department, including, without limitation, actions affecting a license as a real estate broker or sales agent

~~4 BANKRUPTCY~~

3. The following is added to the end of Item 4.

Neither the ~~Franchisor~~franchisor, its affiliate, its predecessor, officers, or general partner during the ~~ten~~ 10-year period immediately before the date of the ~~disclosure document~~offering circular (a) filed as debtor (or had filed against it) a petition to start an action under the U S Bankruptcy Code ~~(or any comparable foreign law),~~, (b) obtained a discharge of its debts under the bankruptcy code, or (c) was a principal officer of a company or a general partner in a partnership that either filed as a debtor (or had filed against it) a petition to start an action under the U S Bankruptcy Code or that obtained a discharge of its debts under the U S Bankruptcy Code during or within ~~one~~1 year after ~~the~~that officer or general partner of the ~~Franchisor~~franchisor held this position in the company or partnership

~~17 RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION~~

~~a Provision (d) for the Franchise Disclosure Document is amended by adding the following language in the Summary column~~

~~"The Franchisee~~4. The following is added to the end of Item 5.

The initial franchise fee constitutes part of our general operating funds and will be used as such in our discretion

5. The following is added to the end of the "Summary" sections of Item 17(c), titled "Requirements for franchisee to renew or extend," and Item 17(m), entitled "Conditions for franchisor approval of transfer".

However, to the extent required by applicable law, all rights you enjoy and any causes of action arising in your favor from the provisions of Article 33 of the General Business Law of the State of New York and the regulations issued thereunder shall remain in force, it being the intent of this proviso that the non-waiver provisions of General Business Law Sections 687.4 and 687.5 be satisfied.

6 The following language replaces the "Summary" section of Item 17(d), titled "Termination by franchisee"

You may terminate the agreement on any grounds available by law~~"~~.

~~b "Provision (j) of the Franchise Disclosure Document is amended by adding the~~7. The following ~~language in~~is added to the end of the "Summary ~~column~~" section of Item 17(j), titled "Assignment of contract by franchisor".

"However, no assignment will be made except to an assignee who in good faith and judgment of the franchisor, is willing and financially able to assume the franchisor's obligations under the ~~franchise agreement~~ "Franchise Agreement.

~~c Provision (w) in all 3 charts for the Franchise Disclosure Document is amended by adding the following language in the Summary column~~

"8. The following is added to the end of the "Summary" sections of Item 17(v), titled "Choice of forum", and Item 17(w), titled "Choice of law"

The foregoing choice of law should not be considered a waiver of any right conferred upon the franchisor or upon the franchisee by ~~article 33of~~Article 33 of the General Business Law of the State of New York".

ADDENDUM TO THE BOARDWALK FRESH BURGERS AND FRIES, INC
DISCLOSURE DOCUMENT REQUIRED BY THE COMMONWEALTH OF VIRGINIA

In recognition of the restrictions contained in Section 13 1-564 of the Virginia Retail Franchising Act, the Franchise Disclosure Document for Boardwalk Fresh Burgers and Fries, Inc for use in the Commonwealth of Virginia shall be amended as follows

Additional Disclosure The following statements are added to Item 17 h

Pursuant to Section 13 1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to cancel a franchise without reasonable cause If any grounds for default or termination stated in the franchise agreement and development agreement does not constitute "reasonable cause," as that the term may be defined in the Virginia Retail Franchising Act or the laws of Virginia, the provision may not be enforceable

Pursuant to Section 13 1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to use undue influence to induce a franchisee to surrender any right given to him under the franchise If any provision of the Franchise Agreement involves the use of undue influence by the franchisor to induce a franchisee to surrender any rights given to him under the franchise, that provision may not be enforceable

IN WITNESS WHEREOF, the parties hereto have duly executed, sealed and delivered this Addendum dated this ______ day of _____________, 20___

ATTEST	BOARDWALK FRESH BURGERS AND FRIES, INC
______________________	By ______________________
Witness	Name ______________________
	Title ______________________
	FRANCHISEE
______________________	______________________
Witness	

EXHIBIT H TO THE DISCLOSURE DOCUMENT

FRANCHISEE DISCLOSURE ACKNOWLEDGMENT STATEMENT

As you know, Boardwalk Fresh Burgers and Fries, Inc (the "Franchisor") and you are preparing to enter into a franchise agreement (the "Franchise Agreement") for the establishment and operation of a Boardwalk Fries Burgers Shakes Restaurant (the "Franchised Restaurant") The purpose of this Questionnaire is to determine whether any statements or promises were made to you by employees or authorized representatives of the Franchisor that have not been authorized, or that were not disclosed in the Disclosure Document or that may be untrue, inaccurate or misleading The Franchisor, through the use of this document, desires to ascertain (a) that the undersigned, individually and as a representative of any legal entity established to acquire the franchise rights, fully understands and comprehends that the purchase of a franchise is a business decision, complete with its associated risks, and (b) that you are not relying upon any oral statement, representations, promises or assurances during the negotiations for the purchase of the franchise which have not been authorized by Franchisor

In the event that you are intending to purchase an existing Franchised Restaurant from an existing franchisee, you may have received information from the transferring franchisee, who is not an employee or representative of ours The questions below do not apply to any communications that you had with the transferring franchisee Please review each of the following questions and statements carefully and provide honest and complete responses to each

1 Are you seeking to enter into the Franchise Agreement in connection with a purchase or transfer of an existing Franchised Restaurant from an existing Franchisee?

Yes _____ No _____

2 I had my first face-to-face meeting with a Franchisor representative on _______________, 20___

3 Have you received and personally reviewed the Franchise Agreement, each addendum, and/or related agreement provided to you?

Yes _____ No _____

4 Do you understand all of the information contained in the Franchise Agreement, each addendum, and/or related agreement provided to you?

Yes _____ No _____

If no, what parts of the Franchise Agreement, any Addendum, and/or related agreement do you not understand? (Attach additional pages, if necessary)

____
____
____
____
____
____

5 Have you received and personally reviewed the Franchisor's Disclosure Document that was provided to you?

Yes _____ No _____

6 Did you sign a receipt for the Disclosure Document indicating the date you received it?

Yes _____ No _____

7 Do you understand all of the information contained in the Disclosure Document and any state-specific Addendum to the Disclosure Document?

Yes _____ No _____

If No, what parts of the Disclosure Document and/or Addendum do you not understand? (Attach additional pages, if necessary)

____
____
____
____
____
____

8 Have you discussed the benefits and risks of establishing and operating a Franchised Restaurant with an attorney, accountant, or other professional advisor?

Yes _____ No _____

If No, do you wish to have more time to do so?

Yes _____ No _____

9 Do you understand that the success or failure of your Franchised Restaurant will depend in large part upon your skills and abilities, competition from other businesses, interest rates, inflation, labor and supply costs, location, lease terms, your management capabilities and other economic, and business factors?

Yes _____ No _____

10 Has any employee of Franchisor or other person speaking on behalf of the Franchisor made any statement or promise concerning the actual or potential revenues, profits or operating costs of any particular Franchised Restaurant operated by the Franchisor or its franchisees (or of any group of such businesses), that is contrary to or different from the information contained in the Disclosure Document?

Yes _____ No _____

11 Has any employee of Franchisor or other person speaking on behalf of the Franchisor made any statement or promise regarding the amount of money you may earn in operating the franchised business that is contrary to or different from the information contained in the Disclosure Document?

Yes _____ No _____

12 Has any employee of Franchisor or other person speaking on behalf of the Franchisor made any statement or promise concerning the total amount of revenue the Franchised Restaurant will generate, that is contrary to or different from the information contained in the Disclosure Document?

Yes _____ No _____

13 Has any employee of Franchisor or other person speaking on behalf of the Franchisor made any statement or promise regarding the costs you may incur in operating the Franchised Restaurant that is contrary to or different from the information contained in the Disclosure Document?

Yes _____ No _____

14 Has any employee of Franchisor or other person speaking on behalf of the Franchisor made any statement or promise concerning the likelihood of success that you should or might expect to achieve from operating a Franchised Restaurant?

Yes _____ No _____

15 Has any employee of Franchisor or other person speaking on behalf of the Franchisor made any statement, promise or agreement concerning the advertising, marketing, training, support service or assistance that the Franchisor will furnish to you that is contrary to, or different from, the information contained in the Disclosure Document or franchise agreement?

Yes _____ No _____

16 Have you entered into any binding agreement with the Franchisor concerning the purchase of this franchise prior to today?

Yes _____ No _____

17 Have you paid any money to the Franchisor concerning the purchase of this franchise prior to today?

Yes _____ No _____

18 Have you spoken to any other franchisee(s) of this system before deciding to purchase this franchise? If so, who? ____

____

If you have answered No to question 9, or Yes to any one of questions 10-17, please provide a full explanation of each answer in the following blank lines (Attach additional pages, if necessary, and refer to them below) If you have answered Yes to question 9, and No to each of questions 10-17, please leave the following lines blank

I signed the Franchise Agreement and Addendum (if any) on ______________, 20___, and acknowledge that no Agreement or Addendum is effective until signed and dated by the Franchisor

Please understand that your responses to these questions are important to us and that we will rely on them By signing this Questionnaire, you are representing that you have responded truthfully to the above questions In addition, by signing this Questionnaire, you also acknowledge that

A You recognize and understand that business risks, which exist in connection with the purchase of any business, make the success or failure of the franchise subject to many variables, including among other things, your skills and abilities, the hours worked by you, competition, interest rates, the economy, inflation, franchise location, operation costs, lease terms and costs and the marketplace You hereby acknowledge your awareness of and willingness to undertake these business risks

B You agree and state that the decision to enter into this business risk is in no manner predicated upon any oral representation, assurances, warranties, guarantees or promises made by Franchisor or any of its officers, employees or agents (including the Broker or any other broker) as to the likelihood of success of the franchise Except as contained in the Disclosure Document, you acknowledge that you have not received any information from the Franchisor or any of its officers, employees or agents (including the Broker or any other broker) concerning actual, projected or forecasted franchise sales, profits or earnings If you believe that you have received any information concerning actual, average, projected or forecasted franchise sales, profits or earnings other than those contained in the Disclosure Document, please describe those in the space provided below or write "None"

C You further acknowledge that the President of the United States of America has issued Executive Order 13224 (the "Executive Order") prohibiting transactions with terrorists and terrorist organizations and that the United States government has adopted, and in the future may adopt, other anti-terrorism measures (the "Anti-Terrorism Measures") The Franchisor therefore requires certain certifications that the parties with whom it deals are not directly involved in terrorism For that reason, you hereby certify that neither you nor any of your employees, agents or representatives, nor any other person or entity associated with you, is

(i) a person or entity listed in the Annex to the Executive Order,

(ii) a person or entity otherwise determined by the Executive Order to have committed acts of terrorism or to pose a significant risk of committing acts of terrorism,

(iii) a person or entity who assists, sponsors, or supports terrorists or acts of terrorism, or

(iv) owned or controlled by terrorists or sponsors of terrorism

You further covenant that neither you nor any of your employees, agents or representatives, nor any other person or entity associated with you, will during the term of the Franchise Agreement become a person or entity described above or otherwise become a target of any Anti-Terrorism Measure

Acknowledged this _____ day of _______________, 20___

Sign here if you are taking the franchise as an

INDIVIDUAL

____
Signature

Print Name______________________________

____
Signature

Print Name______________________________

____
Signature

Print Name______________________________

____
Signature

Print Name______________________________

Sign here if you are taking the franchise as a CORPORATION, LIMITED LIABILITY COMPANY OR PARTNERSHIP

____
Print Name of Legal Entity

By ______________________________
Signature

Print Name______________________________

Title______________________________

EXHIBIT I TO THE DISCLOSURE DOCUMENT
STATE ADMINISTRATORS/AGENTS FOR SERVICE OF PROCESS

Listed here are the names, addresses and telephone numbers of the state agencies having responsibility for franchising disclosure/registration laws and for service of process We may not yet be registered to sell franchises in any or all of these states

CALIFORNIA California Commissioner of Business Oversight Department of Business Oversight 320 West 4th Street, Suite 750 Los Angeles, CA 90013 (213) 576-7500 Toll Free (866) 275-2677 1515 K Street, Suite 200 Sacramento, CA 95814 (916) 445-7205 1350 Front Street San Diego, CA 92101 (619) 525-4233 1 Sansome Street, Suite 600 San Francisco, CA 94104 (415) 972-8559	**CONNECTICUT** State of Connecticut Department of Banking Securities & Restaurant Investments Division 260 Constitution Plaza Hartford, CT 06103-1800 (860) 240-8230 Agent Banking Commissioner
HAWAII (state administrator) Restaurant Registration Division Department of Commerce and Consumer Affairs 335 Merchant Street, Room 203 Honolulu, Hawaii 96813 (808) 586-2722 (agent for service of process) Commissioner of Securities State of Hawaii 335 Merchant Street Honolulu, Hawaii 96813 (808) 586-2722	**ILLINOIS** Franchise Bureau Office of the Attorney General 500 South Second Street Springfield, Illinois 62706 (217) 782-4465

INDIANA (state administrator) Indiana Secretary of State Securities Division, E-111 302 Washington Street Indianapolis, Indiana 46204 (317) 232-6681 (agent for service of process) Indiana Secretary of State 201 State House 200 West Washington Street Indianapolis, Indiana 46204 (317) 232-6531	**MARYLAND** (state administrator) Office of the Attorney General Securities Division 200 St Paul Place Baltimore, Maryland 21202-2021 (410) 576-6360 (for service of process) Maryland Securities Commissioner 200 St Paul Place Baltimore, Maryland 21202-2021 (410) 576-6360
MICHIGAN (state administrator) Consumer Protection Division Antitrust and Franchise Unit Michigan Department of Attorney General 525 W Ottawa Street, 6th Floor Lansing, Michigan 48933 (517) 373-7117 (for service of process) Corporations Division Bureau of Commercial Services Department of Labor and Economic Growth P O Box 30054 Lansing, Michigan 48909	**MINNESOTA** (state administrator) Minnesota Department of Commerce 85 7th Place East, Suite 500 St Paul, Minnesota 55101-2198 (651) 539-1600 (for service of process) Minnesota Commissioner of Commerce
NEW YORK (state administrator) New York State Department of Law Bureau of Investor Protection and Securities 120 Broadway, 23rd Floor New York, New York 10271 (212) 416-8211 (for service of process) Secretary of State of New York One Commerce Plaza, 99 Washington Avenue Albany, New York 12231 (518) 474-4750	**NORTH DAKOTA** North Dakota Securities Department State Capitol, Fifth Floor, Dept 414 600 East Boulevard Avenue Bismarck, North Dakota 58505 (701) 328-4712

OREGON Department of ~~Insurance~~Consumer and Business Services Division of Finance and Corporate Securities ~~Section~~ Labor and Industries Building Salem, Oregon 97310 (503) 378-4387 Agent. Director of the Department of Consumer and Business Services	**RHODE ISLAND** Securities Division Department of Restaurant Regulation, Bldg 69, First Floor John O Pastore Center 1511 Pontiac Avenue Cranston, Rhode Island 02920 (401) 462-9582
SOUTH DAKOTA Division of Securities Department of Labor & Regulation 124 S Euclid Avenue, Suite 104 Pierre, South Dakota 57501 (605) 773-4823	**VIRGINIA** State Corporation Commission Division of Securities and Retail Franchising 1300 East Main Street, 9th Floor Richmond, Virginia 23219 (804) 371-9051 (for service of process) Clerk of the State Corporation Commission 1300 East Main Street, 1st Floor Richmond, Virginia 23219 (804) 371-9733
WASHINGTON (state administrator) Department of Financial Institutions Securities Division 150 Israel Road S W Tumwater, Washington 98501 (360) 902-8760 (for service of process) Director, Department of Financial Institutions Securities Division 150 Israel Road S W Tumwater, Washington 98501	**WISCONSIN** (state administrator) Division of Securities Department of Financial Institutions 201 W Washington Ave , 3rd Floor Madison, Wisconsin 53703 (608) 266-1064 (for service of process) Administrator, Division of Securities Department of Financial Institutions 201 W Washington Ave , 3rd Floor Madison, Wisconsin 53703

EXHIBIT J TO THE DISCLOSURE DOCUMENT

FORM OF GENERAL RELEASE

THIS AGREEMENT ("Agreement") is made and entered into this ____ day of _____________, 20___ by and between Boardwalk Fresh Burgers and Fries, Inc , a Delaware corporation having its principal place of business located at 9220 Rumsey Road, Suite 101, Columbia, Maryland 21045 (the "Franchisor"), and _________________, an individual residing at ______________________ (hereinafter referred to as "Releasor") wherein the parties hereto, in exchange for good and valuable consideration, the sufficiency and receipt of which is hereby acknowledged, and in reliance upon the representations, warranties, and comments herein are set forth, do agree as follows

1 **Release by Releasor**

Releasor does for itself, its successors and assigns, hereby release and forever discharge generally the Franchisor and any affiliate, wholly owned or controlled corporation, subsidiary, successor or assign thereof and any shareholder, officer, director, employee, or agent of any of them, from any and all claims, demands, damages, injuries, agreements and contracts, indebtedness, accounts of every kind or nature, whether presently known or unknown, suspected or unsuspected, disclosed or undisclosed, actual or potential, which Releasor may now have, or may hereafter claim to have or to have acquired against them of whatever source or origin, arising out of or related to any and all transactions of any kind or character at any time prior to and including the date hereof, including generally any and all claims at law or in equity, those arising under the common law or state or federal statutes, rules or regulations such as, by way of example only, franchising, securities and anti-trust statutes, rules or regulations, in any way arising out of or connected with the Agreement, and further promises never from this day forward, directly or indirectly, to institute, prosecute, commence, join in, or generally attempt to assert or maintain any action thereon against the Franchisor, any affiliate, successor, assign, parent corporation, subsidiary, director, officer, shareholder, employee, agent, executor, administrator, estate, trustee or heir, in any court or tribunal of the United States of America, any state thereof, or any other jurisdiction for any matter or claim arising before execution of this Agreement In the event Releasor breaches any of the promises covenants, or undertakings made herein by any act or omission, Releasor shall pay, by way of indemnification, all costs and expenses of the Franchisor caused by the act or omission, including reasonable attorneys' fees

2 Releasor hereto represents and warrants that no portion of any claim, right, demand, obligation, debt, guarantee, or cause of action released hereby has been assigned or transferred by Releasor party to any other party, firm or entity in any manner including, but not limited to, assignment or transfer by subrogation or by operation of law In the event that any claim, demand or suit shall be made or institute against any released party because of any such purported assignment, transfer or subrogation, the assigning or transferring party agrees to indemnify and hold such released party free and harmless from and against any such claim, demand or suit, including reasonable costs and attorneys' fees incurred in connection therewith It is further agreed that this indemnification and hold harmless agreement shall not require payment to such claimant as a condition precedent to recovery under this paragraph

3 Each party acknowledges and warrants that his, her or its execution of this Agreement is free and voluntary

4 Maryland law shall govern the validity and interpretation of this Agreement, as well as the performance due thereunder This Agreement is binding upon and inures to the benefit of the respective assigns, successors, heirs and legal representatives of the parties hereto

5 In the event that any action is filed to interpret any provision of this Agreement, or to enforce any of the terms thereof, the prevailing party shall be entitled to its reasonable attorneys' fees and costs incurred therein, and said action must be filed in the State of Maryland

6 This Agreement may be signed in counterparts, each of which shall be binding against the party executing it and considered as the original

IN WITNESS WHEREOF, the parties hereto, intending to be legally bound hereby, have executed this agreement effective as of the date first above

Witness	RELEASOR
______________________	______________________ (Name)
Witness	BOARDWALK FRESH BURGERS AND FRIES, INC
______________________	By ______________________ Name ______________________ Title ______________________

EXHIBIT K

ONLINE BRAND PRESENCE DISCLAIMER

I, ____ agree not to provide Boardwalk Fries Burgers Shakes confidential and/or proprietary information on my personal online accounts This includes food procedures and recipes, incriminating pictures, and/or any personal discrepancies with the Company and/or Management I agree that I will not negatively post about the Company If I share information and pictures online about Boardwalk Fries Burgers Shakes, I agree to post in a responsible manner that will not negatively affect the integrity and/or image of the brand

_____________________ Date signed

_________________________ Signature

_________________________ Print full name

RECEIPT

(RETURN ONE COPY TO US)

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 Boardwalk Fresh Burgers and Fries, Inc offers you a franchise, it must provide this disclosure document to you 14 calendar days before you sign a binding agreement with, or make a payment to, the franchisor or an Affiliate in connection with the proposed franchise sale New York and Rhode Island require that we give you this disclosure document at the earlier of the first personal meeting or 10 business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship Michigan and Oregon require that we give you this disclosure document at least 10 business days before the execution of any binding franchise or other agreement or the payment of any consideration, whichever occurs first

If Boardwalk Fresh Burgers and Fries, Inc does not deliver this disclosure document on time or if it contains a false or misleading statement, or a material omission, a violation of federal law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, DC 20580 and the appropriate state agency listed on Exhibit I

The franchisor is Boardwalk Fresh Burgers and Fries, Inc, located at 9220 Rumsey Road, Suite 101, Columbia, Maryland 21045 Its telephone number is (410) 715-0500

Issuance date ~~April 1, 2016~~May 11, 2017

The name, principal business address and telephone number of the franchise seller for this offering is

☐ David DiFerdinando, 9220 Rumsey Road, Columbia, Maryland 21045, 410-715-0500

☐ ______

Boardwalk Fresh Burgers and Fries, Inc authorizes the agents listed in Exhibit ~~J~~I to receive service of process for it

I have received a disclosure document dated ______~~, 20~~ May 11, 2017 that included the following Exhibits

A – Financial Statements	F – Table of Contents of Operations Manual
B – Franchise Agreement	G – State Specific Addendum
C – Multi-Unit Operator Agreement	H – Franchisee Disclosure Acknowledgment Statement
D – List of Franchisees and Multi-Unit Operators	I – List of State Administrators/Agents for Service of Process
D-1 – List of Development Agents	J – Form of General Release
E – Franchisees and Multi-Unit Operators Who Have Left the System	K – Online Brand Presence Disclaimer

Date ______ (Do not leave blank)

______
Signature of Prospective Franchisee

______
Print Name

You may return the signed receipt either by signing, dating and mailing it to Boardwalk Fresh Burgers and Fries, Inc at 9220 Rumsey Road, Suite 101, Columbia, Maryland 21045, or by faxing a copy of the signed and dated receipt to Boardwalk Fresh Burgers and Fries, Inc at (410) 715-0711

RECEIPT

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Print Name

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