FRANCHISE DISCLOSURE DOCUMENT

CHA REDEFINE FRANCHISES LLC
A California limited liability company
9083 Las Tunas Drive,
Temple City, California 91780
(646) 244-8778
franchise@charedefine.com
charedefine.com

We offer a franchise for a store offering tea, coffee, matcha, and fruit beverages, bakery items, tea and coffee retail products, and other beverages, products, and accessories under the Cha Redefine® name and marks. The total investment necessary to begin operation of a Cha Redefine franchise ranges from $315,000 to $714,000. This includes $41,500 to $68,000 that must be paid to franchisor or its affiliates.

This Disclosure Document summarizes certain provisions of your franchise agreement and other information in plain English. Read this Disclosure Document and all accompanying agreements carefully. You must receive this Disclosure Document at least 14 calendar days before you sign a binding agreement with, or make any payment to, the franchisor or an affiliate in connection with the proposed franchise sale. **Note, however, that no 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 Audrey Huang at 9083 Las Tunas Drive, Temple City, California 91780 and (646) 244-8778.

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

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

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

ISSUANCE DATE: March 31, 2026

How to Use This Franchise Disclosure Document

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

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

What You Need To Know About Franchising *Generally*

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

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

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

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

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

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

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

Some States Require Registration

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

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

Special Risks to Consider About *This* Franchise

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

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

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

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

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

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

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EXHIBITS

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

The Franchisor

To simplify the language in this franchise disclosure document (this "Disclosure Document"), "franchisor," "we," "us," or "our" means Cha Redefine Franchises LLC, the franchisor. "You" means the person or entity who buys the franchise from us. If you are a corporation, partnership, limited liability company, or other business entity, your owners will have to guarantee your obligations and be bound by the provisions of the Franchise Agreement (as defined below), as applicable, and other agreements as described in this Disclosure Document.

We are a California limited liability company. We began offering franchises of the type described in this Disclosure Document in September 2024. We do business under our corporate name and as "Cha Redefine." Our principal business address is 9083 Las Tunas Drive, Temple City, California 91780, and our phone number is (646) 244-8778. We do not own or operate any Cha Redefine Stores, though our affiliates do. We do not offer franchises in any other lines of business. We do not conduct any business activities other than described in this Disclosure Document. We do not have any predecessors.

A list of the names and addresses of our agents for service of process is attached to this Disclosure Document as Exhibit A.

Our Parent and Affiliates

Our parent is CHR Holdings Group, Inc. ("CHR"). CHR has neither operated a Cha Redefine Store, nor offered franchises in this or any other line of business.

Our affiliate, CR Brands Innovation LLC ("CR Brands") owns the Marks (defined below) and certain other components of the intellectual property of the Cha Redefine® franchise system. CR Brands licenses the Marks and other intellectual property rights to us for use by our franchisees. CR Brands has neither operated a Cha Redefine Store, nor offered franchises in this or any other line of business.

Our affiliate, CR Commerce LLC ("CR Commerce") sells certain proprietary merchandise and inventory to franchisees for use in the operation of Cha Redefine Stores. CR Commerce has neither operated a Cha Redefine Store, nor offered franchises in this or any other line of business.

Each of CHR, CR Brands, and CR Commerce share our principal business address.

The Franchise We Offer

We offer and grant franchises for stores offering tea, coffee, matcha, and fruit beverages, bakery items, tea and coffee retail products, and other beverages, products, and accessories (each, a "Cha Redefine Store"). Cha Redefine Stores operate under the name Cha Redefine® and other trademarks, service marks, logos, and commercial symbols we authorize (the "Marks"). Cha Redefine Stores are developed and operated using certain specified and distinct business formats, methods, procedures, designs, layouts, standards, and specifications, all of which we may be improve, further develop, or otherwise modify (together, the "System"). We call the Cha Redefine Store that you will operate "your Store."

You must comply with all of the mandatory standards, specifications, operating procedures, and rules that we periodically prescribe for operating a Cha Redefine Store ("System Standards").

You must sign a franchise agreement with us to acquire the right to develop, own and operate a Cha Redefine Store (the "Franchise Agreement") using the Marks and the System at a site selected by you and approved by us (the "Premises"). Our current form of Franchise Agreement is attached to this Disclosure Document as Exhibit B-1.

Market Competition

Your Store will offer products and services to the general public and compete with other beverage and food service businesses. The market for coffee- and tea-based beverages, caffeinated beverages, bakery items, and the other products offered by Cha Redefine Stores is well-established and highly competitive. You can expect to compete in your market with locally-owned businesses and national and regional chains, including shops and cafés that serve tea and coffee beverages and/or desserts, as well as other Cha Redefine Stores. Your competition may also include grocery stores, convenience stores, and specialty coffee shops that offer similar products to those offered at Cha Redefine Stores. You will compete on the basis of factors such as price, service, convenience, food quality and variety, presentation, location, and advertising. You will be competing both for customers and for real estate locations. Your business may also be affected by other factors, such as changes in consumer taste, economic conditions, population, and travel patterns. Cha Redefine Stores are typically not seasonal.

Laws and Regulations

Certain aspects of a food service business are heavily regulated by federal, state and local laws, rules and ordinances. The U.S. Food and Drug Administration, the U.S. Department of Agriculture, and various state and local departments of health and other agencies have laws and regulations concerning the preparation of food, display of nutrition facts, packaging, recycling and waste management, minimum wage, and health and safety conditions. State and local agencies routinely conduct inspections for compliance. You must also comply with laws applicable to businesses in your area generally, including compensation of employees, business licensure, zoning, real estate and occupational permitting, construction permitting, accessibility for persons with disabilities, sales and use tax, health and safety, and emergency orders related to public health or safety. There may be other laws applicable to your business.

ITEM 2
BUSINESS EXPERIENCE

Jim Lan – President

Mr. Lan has served as our President, and President of CHR, CR Brands, and CR Commerce since each entity was formed in August 2024. Mr. Lan has also served as Chief Executive Officer and Chief Financial Officer of our affiliate Cha Redefine since October 2022. Prior to joining Cha Redefine, Mr. Lan was President of Mandarin Financial from January 2001 to October 2022. All positions are and have been held from Temple City, California.

Yuhang (Audrey) Huang – Secretary

Ms. Huang has served as our Secretary, and Secretary of CHR, CR Brands, and CR Commerce since each entity was formed in August 2024. Ms. Huang has also served as Secretary of our affiliate Cha Redefine since January 2019, and Secretary of our affiliates, Cha Redefine Irvine Corp and CR Tea Partners Corp, since August 2021 and September 2021, respectively. All positions are and have been held from Temple City, California.

ITEM 3
LITIGATION

No litigation is required to be disclosed in this Item.

ITEM 4
BANKRUPTCY

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

ITEM 5
INITIAL FEES

Initial Franchise Fee

You must pay us an initial franchisee fee of $30,000 when you sign the Franchise Agreement. The initial franchise fee is payable in a lump sum and non-refundable. The initial franchise fee was uniformly applied in our prior fiscal year.

Initial Inventory

You must purchase certain products from our affiliate, CR Commerce, including proprietary food and paper products and branded merchandise. We estimate that the cost of these purchases from CR Commerce prior to opening your Store will range from $11,500 to $38,000. The cost of these purchases will depend on the size and specifications of your Store, the cost of taxes and shipping in your area, the quantity of products you order, and similar market conditions. The cost of products you purchase from CR Commerce is payable on placing each order and non-refundable.

ITEM 6
OTHER FEES

Type of Fee	Amount	Due Date	Remarks [1, 2]
Royalty	5% of Gross Sales [3]	Monthly, currently on the 7th of the month	"Gross Sales" is defined in the notes to this table disclosed below.

Type of Fee	Amount	Due Date	Remarks [1, 2]
Brand Fund Contribution	1% of Gross Sales (subject to change up to 3% of Gross Sales in aggregate) [3]	Monthly, currently on the 7th of the month	The amount of your Brand Fund Contribution (defined in Item 11) may be modified periodically, provided that (a) the total amount of the Brand Fund Contribution will not at any time exceed 3% of Gross Sales; and (b) the amount of the Brand Fund Contribution will not increase by more than 1% of Gross Sales in any 12-month period.
Technology Fee	Not currently charged (subject to change)	Monthly	We have not established a Technology Fee at this time. We may modify the amount of your Technology Fee periodically, but the Technology Fee will not increase by more than $100 per month on an annual compounding basis. We may collect this amount and remit it on your behalf, or we may direct you to pay this amount directly to third-party supplier(s).
Local Advertising Expenditure	Not currently charged (subject to change up to 2% of Gross Sales in aggregate) [3]	Monthly	You must spend an amount that we periodically designate to advertise and promote your Store. We may change the amount of your Local Advertising Expenditure (as defined in Item 11) with notice to you, provided that (a) the total amount of the Local Advertising Expenditure will not at any time exceed 2% of Gross Sales; and (b) the Local Advertising Expenditure will not be increased by more than 1% of Gross Sales in any 12-month period. We may require you to pay this amount to us or our affiliates to spend on your behalf.
Interest on Late Payment	Lesser of 1.5% per month or the highest commercial contract rate allowed by law	As incurred	All amounts which you owe us for any reason will bear interest accruing as of their due dates.
NSF Fee	Lesser of $100 or highest amount permitted by applicable law, per occurrence	As incurred	You must pay this fee if any of your checks are returned to us due to insufficient funds or if there are insufficient funds in the business account you designate to cover our withdrawals.
Transfer Fee	50% of then-current Initial Franchise Fee	As incurred, prior to transfer	You must pay this fee as one of the conditions of transferring your Store, and/or your Franchise Agreement (except that no transfer fee is due if the transfer is from an individual to a wholly-owned and controlled entity, or if the transfer is from a deceased owner to a surviving spouse; provided in each case, other conditions may apply and you must still reimburse us for our costs of processing the transfer, including legal fees).
Renewal Fee	50% of then-current Initial Franchise Fee	As incurred, prior to renewal	You must pay this fee as one of the conditions of obtaining a successor franchise upon the expiration of the Franchise Agreement.

Type of Fee	Amount	Due Date	Remarks [1, 2]
Training Fee	$120 per day per person (subject to change)	As incurred	You must pay our then-current training fee if: (a) we approve you to send additional attendees to the Initial Training Program (defined in Item 11) other than your Mandatory Trainees (defined in Item 11); (b) we agree to provide additional training to any persons after completion of the Initial Training Program; (c) we provide any portion of the Initial Training Program more than once to accommodate your attendees; (d) we provide the Initial Training Program to any new Store Manager (defined in Item 16); (e) we require you or your Mandatory Trainees to attend additional training because you are not complying with System Standards; (f) you request any additional or special guidance, assistance or training; or (g) we are providing on-site opening support for your second or subsequent Cha Redefine Store. We may modify the amount of the training fee, but the training fee will not increase by more than $50 per day per person, on an annual compounding basis.
On-Site Training Reimbursement	Reimbursement of our costs and expenses	As incurred	You must reimburse all of our and our representatives out-of-pocket costs, including food, travel, accommodation and living expenses for any training or support we provide on-site at your Store.
Non-Approved Product or Vendor Testing	Reimbursement of our costs and expenses	As incurred	We may charge you a fee if you ask us to evaluate any vendors or products that we have not previously approved.
Reimbursement of Vendor Payments	Reimbursement of our costs and expenses	As incurred	We may enter contracts or other arrangements with vendor(s) on behalf of one or more Cha Redefine Stores. If we enter into any such contracts or other arrangements, we may pay the costs associated with your Store and invoice you for those associated costs.
Insurance	Amount equal to the premiums, plus our costs and expenses	As incurred	If you fail or refuse to obtain and maintain the insurance we specify, we may (but are not required to) obtain such insurance for you and your Store on your behalf, and you must reimburse us for our costs for doing so.
Quality Inspection Testing & Mystery Shoppers	Reimbursement of our costs and expenses	As incurred	You must reimburse us for the cost of any quality assurance testing or mystery shoppers that we engage to inspect your Store.

Type of Fee	Amount	Due Date	Remarks [1, 2]
Audit Fee	Reimbursement of our costs and expenses	Within 15 days of report receipt	If any audit of your Gross Sales is necessary due to your failure to furnish reports on a timely basis, or if our examination reveals an understatement exceeding 2% of the amount that you actually reported to us, you must reimburse us for the costs of the audit, including fees of attorneys and accountants and the travel expenses, room and board, and compensation of our employees.
Interim Operations Fee	Gross Sales exceeding the expenses of your Store, plus reimbursement of our costs and expenses	As incurred	Due if we operate your Store on an interim basis: (1) if you abandon or fail actively to operate your Store for a period of more than 7 consecutive days; (2) at any time after the death or disability of you (if you are conducting business as an individual) or your Managing Owner (if you are conducting business as an entity), if your Store is at any time not being managed properly; or (3) the Franchise Agreement expires or is terminated and we are transitioning your Store to us or another person we designate.
Indemnification	Reimbursement of our damages, costs and expenses	As incurred	You must reimburse us, our affiliates, and each of our and their respective affiliates, owners, directors, managers, officers, employees, agents, successors, and assignees, if any of us is held liable for claims related to the operation of your Store, actions or omissions of you or your representatives, your breach of the Franchise Agreement, or your employment practices. The costs we incur may include fees for accountants, arbitrators, attorneys, and expert witnesses; investigation costs; court costs; and travel and living expenses.
Costs and Attorneys' Fees	Reimbursement of our costs and expenses	As incurred	If we are the prevailing party in any dispute proceeding between you and us, you must pay our damages, costs, and expenses, including arbitration and court costs and reasonable attorneys' fees.
Tax Reimbursement	Reimbursement of our costs and expenses	As incurred	You are responsible for paying all taxes for your Store, and you must reimburse us for any taxes that we must pay to any state taxing authority on account of your operation or payments that you make to us.

Type of Fee	Amount	Due Date	Remarks [1, 2]
Lost Revenue Damages	Net present value of your Royalty and Brand Fund Contributions for 3 years following termination (during first 5 years) or for 2 years (for remainder of term of franchise)	Within 5 days after termination	If we terminate the Franchise Agreement because of your default or you terminate without cause, you must pay us lost revenue damages. The calculation of lost revenue damages will be based on your average monthly Gross Sales during the last 12 months of regular operations, or if you have been operating your Store for less than 12 months, on the average monthly Gross Sales of all Cha Redefine Stores during the year immediately preceding the termination date.
Deficiency Correction	Reimbursement of our costs and expenses	As incurred	If you fail to take any of the required actions upon termination or expiration of your Franchise Agreement, including removing signs and otherwise de-identifying the Premises, we may correct such deficiencies and you must reimburse our costs.

Explanatory Notes:

1. Except as described in this Item 6, all fees are imposed and collected by and payable to us, though we may transfer these rights to our affiliates. These fees are non-refundable and uniformly imposed. All amounts paid to us and our affiliates must be in United States Dollars ($). We may modify the intervals or due day for payments you owe us with notice to you.

2. You must pay us all amounts in the manner we periodically prescribe. We may direct you to make some or all of the payments under the Franchise Agreement to our designee. Currently, we require all payments to be made through electronic debit of your business account on or before their due dates or the next business day if the due date is a national holiday or a weekend day. You must sign and deliver to us any documents we require for such electronic debits of your account. You must ensure that funds are available in your designated account to cover our withdrawals. We may periodically change the timing, frequency, and intervals of any payments, but with no less than 30 days' prior written notice to you. If you fail to report Gross Sales, if we cease to have access to your Technology Systems, or if your Store is closed without our authorization for any period of time, then for any fees under the Franchise Agreement which are calculated based on Gross Sales, we may debit your account for 110% of the average Gross Sales for the last 3 months of operations of your Store. If the amounts that we debit from your account on the basis of any understatement are less than the amounts you actually owe us once we have determined the true and correct Gross Sales, we will debit your account for the balance on the day we specify. If the amounts that we debit from your account on the basis of any understatement are greater than the amounts you actually owe us, we will credit the excess against the amounts we otherwise would debit from your account during the following period.

3. "Gross Sales" means all revenue that you derive from operating your Store, whether from cash, check, vouchers, tickets, or other comparable forms of payment, credit and debit card, barter exchange, trade credit, or other credit transactions, but excluding all federal, state, or municipal sales, use, or service taxes collected from customers and paid to the appropriate taxing authority. If we authorize or require participation in online group-bought deals, gift certificate or gift card programs, or other similar programs, the payments you receive for those online group-bought deals, gift certificates or gift cards will be included in Gross Sales according to our then-current guidelines for calculating Gross Sales.

Gross Sales also include all insurance proceeds you receive for loss of business and loss of revenue, due to a casualty to or similar event at your Store.

ITEM 7
ESTIMATED INITIAL INVESTMENT

YOUR ESTIMATED INITIAL INVESTMENT

Type of Expenditure	Amount		Method of Payment [1]	When Due	To Whom Payment is Made
	Low	High			
Initial Franchise Fee	$30,000	$30,000	Lump sum	Upon signing Franchise Agreement	Us
Real Estate (3 Months' Rent) [2]	$13,500	$27,000	As incurred	As incurred	Landlord
Security and Utility Deposits [3]	$5,000	$18,000	As incurred	As incurred	Unaffiliated third parties (e.g., utility companies, landlord)
Leasehold Improvements [4]	$150,000	$400,000	As incurred	Before opening	Unaffiliated third parties
Technology Systems [5]	$3,000	$5,000	As incurred	Before opening	Approved third-party suppliers
Initial Inventory [6]	$11,500	$38,000	As incurred	Before opening	Our Affiliate
Other Inventory [7]	$25,000	$38,000	As incurred	Before opening	Approved third-party suppliers
Furniture, Fixtures & Equipment [8]	$35,000	$50,000	As incurred	Before opening	Approved third-party suppliers
Signage	$5,000	$18,000	As incurred	Before opening	Approved third-party suppliers
Insurance, Professional Fees, and Licenses [9]	$8,000	$30,000	As incurred	As incurred	Unaffiliated third parties (e.g., insurance companies)
Initial Training Program — Mandatory Trainees [10]	$2,000	$5,000	As incurred	Before opening	Unaffiliated third parties (e.g., hotels, airlines, restaurants)
Grand Opening Advertising [11]	$2,000	$5,000	As incurred	Before opening	Unaffiliated third parties
Additional Funds – First 3 Months of Operation [12]	$25,000	$50,000	As incurred	As incurred	Unaffiliated and approved third-party suppliers (e.g., employees)

Type of Expenditure	Amount		Method of	When Due	To Whom Payment is
TOTAL ESTIMATED INITIAL INVESTMENT [13]	**$315,000**	**$714,000**			

Explanatory Notes:

1. *General*. Except as otherwise provided, the amounts payable to us or our affiliates in this table are not refundable under any circumstances. All amounts payable to third parties will be paid under the terms of your agreement with these respective third parties. We do not offer financing directly or indirectly for any part of the initial investment.

2. *Real Estate*. The estimate above is for three months of rent. The cost of leasing or acquiring your Premises will depend upon the market in which the proposed site is located. A suitable space for a Cha Redefine Store will be approximately 1,000 to 2,000 square feet. Local market conditions, changes in the economy and inflation will also contribute to your occupancy costs. The location of the parcel of real property, its relationship to and the nature of any adjoining uses, and its accessibility will affect both its size and price. Some lease agreements require the lessee to pay (in addition to rent) for maintenance, insurance, taxes and any other charges or expenses for the land and building or they may require that the lessee reimburse the lessor for its proportionate share of these payments (plus interest), all of which are not included in the provided estimates, and you must negotiate with your landlord.

3. *Security and Utility Deposits*. The fees and deposits that you are required to spend to obtain licenses, permits and utility services for your Store will vary depending upon the state, county, municipality, or other political subdivision in which your Store is located. The provided estimates also include an estimated security deposit under the Lease, equal to one month's rent.

4. *Leasehold Improvements*. Leasehold improvements include electrical, plumbing, carpentry, flooring, walls and ceiling, general construction and administration costs as well as other costs associated with initial construction and site improvements of your Premises. The provided estimates do not account for any tenant improvement allowances you may negotiate with your landlord. The cost of leasehold improvements will also depend on the brands purchased, local market conditions, the condition of your Premises, the extent of remodeling required, and other factors.

5. *Technology Systems*. The estimate provided includes your purchase of your Technology Systems and a monthly subscription for our designated point-of-sale software for the first three months (see Item 11). The total cost of your Technology Systems will depend on whether you already own any components that must be purchased, freight and installation costs, connectivity services in your area, applicable state and local taxes, and other factors. We have not included the cost of a personal computer in the provided estimates, as we assume you will already own one.

6. *Initial Inventory*. The estimates provided are to obtain initial inventory from CR Commerce prior to the opening of your Store, which will include proprietary food and paper products, and branded merchandise. The cost of initial inventory will depend on shipping and freight prices, the cost of raw materials, your geographic market, and similar factors.

7. *Other Inventory*. The inventory that you will purchase prior to opening your Store from unaffiliated third parties include food, office supplies, non-branded paper products, cleaning supplies,

and related items. The cost of initial inventory will depend on shipping and freight prices, the cost of raw materials, your geographic market, and similar factors.

8. *Furniture, Fixtures, & Equipment*. This estimate includes the cost of furniture, fixtures, equipment, and other similar supplies for your Store, including kitchen equipment, preparation tables, serving counters, customer tables and booths, wainscoting, patio furniture, artwork, lighting, audio and security systems, and décor items. This cost will depend on the brands purchased, local market conditions, the size of your Store and other factors.

9. *Insurance, Professional Fees and Licenses*. The provided estimate includes your insurance premiums, legal and professional fees, and licenses and permits. The estimate for insurance premiums is for one year of premiums, as many insurance companies require lump sum payment in advance. Your landlord may also require additional insurance above our minimum requirements, which is not accounted for in the provided estimates. The amount of professional fees you incur will depend on the number of representatives you engage, the experience and sophistication of those representatives, and the geographic market in which you operate. The amount of fees you will incur for licenses and permits will depend on the location of your Store and the local requirements for your Store's operations.

10. *Initial Training Program—Mandatory Trainees*. You must pay for the transportation, food, lodging, and other expenses that you will incur for your Mandatory Trainees (defined in Item 11) to attend our Initial Training Program. These expenses may vary based on the distance travelled and the standard of living your attendees desire. If you wish to obtain training for any additional employees, or that is beyond the scope of our Initial Training Program, additional training fees may apply. The provided estimates do not account for any additional training fees.

11. *Grand Opening Advertising*. You must spend at least $2,000 for a grand opening advertising program for your Store. You must spend this amount in addition to all other amounts you must spend on advertising specified in the Franchise Agreement. However, you may elect to spend more than the minimum amount on your grand opening marketing program. The amount you spend will depend on several factors, including the local market conditions, brand awareness in the surrounding community, the amount of competition in your area, and other factors.

12. *Additional Funds – First 3 Months of Operation*. This item estimates the additional funds that you may need to invest in your Store during your Store's first 3 months of operations to pay for costs that are not offset by your operating revenue, including as needed to pay for inventory and supplies, payroll and benefits, maintenance and repair, and cash shortages. The estimate of payroll and benefits assumes an average staffing level of five individuals during operating hours.

13. *Total Estimated Initial Investment*. The estimated initial investment figures shown above are based on our affiliates' experience in owning and operating Cha Redefine Stores. The estimated initial investment figures provided in this table assume that you (or your Managing Owner) are not paid any salary or wages. The estimate does not include the costs associated with any financing you obtain.

ITEM 8
RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

Specifications for Products, Services and Suppliers

We have developed and may continue to develop System Standards for types, models and brands of required fixtures, furniture, equipment, components of the Technology Systems, furnishings, signs, and other operating assets, inventory, products, materials, and services used by Cha Redefine Stores. We may require you to purchase and use only the products and services meeting our System Standards. We may also require you to purchase the products and services only from suppliers that we have designated or approved. We or our affiliates may be an exclusive or approved supplier of certain products and services, or otherwise be a party to these transactions.

Our standards and specifications for products and services and criteria for suppliers are not currently issued to franchisees or approved suppliers. We may condition our approval of a product or supplier on requirements relating to product quality, prices, consistency, reliability, financial capability, labor relations, customer relations, frequency of delivery, concentration of purchases, standards of service or other criteria. If you would like us to consider approving a vendor that is not already approved by us, you must submit your request in writing before purchasing any items or services from such vendor. We will make all determinations about whether to approve an alternative vendor based on our then-current criteria, which may change periodically. Currently, we estimate that we will provide notice of our decision to approve or disapprove an alternative supplier within 45 days of receiving the request and all necessary materials for evaluation. We may also refuse to consider and/or approve any alternative vendor for any reason whatsoever. We may charge you a fee if you ask us to evaluate any proposed alternative vendors (currently, the fee is equal to reimbursement of our costs and expenses). We may revoke our approval of any vendor at any time by providing written notice to you. You may not contract with any alternative vendors without receiving our prior approval. We may choose not to authorize similar variations or accommodations to you or other franchise owners, and variations or accommodations we grant you for one Cha Redefine Store are not automatically authorized for other Stores owned by you.

We may enter into contracts or other arrangements with vendor(s) to your Store on an enterprise or system-wide basis, or otherwise on behalf of one or more Cha Redefine Stores. If we enter into any such contracts or other arrangements, we may pay the costs associated with your Store and invoice you for those associated costs.

Currently, you must purchase (i) certain food and paper products and branded merchandise from our affiliate, CR Commerce; (ii) the Technology Systems, certain operational inventory including dairy products, boba, food items, machinery (such as a soft serve machine, espresso machine, water filter, ice machine, and refrigerator), serving counters, customer tables and booths, wainscoting, patio furniture, artwork, lighting, and other fixtures, furnishings and equipment from designated third-party suppliers; and (iii) your other inventory, equipment, supplies, from suppliers we approve. We may add, remove, and/or otherwise modify our designated and approved suppliers at any time. In our prior fiscal year, we did not collect any revenue from the sale of products and services to franchisees, but our affiliate, CR Commerce, collected $28,520 in revenue from such sales. Other than as described in this Item 8, neither we nor our affiliates are suppliers of any required products or services to franchisees, though we may be in the future.

Collectively, the purchases you obtain according to our specifications or from approved or designated suppliers will represent approximately 80% to 90% of your total purchases to establish your Store and 80% to 90% of your total purchases to operate your Store.

Insurance

You must maintain in force at your sole expense insurance policies for your Store as required under applicable law and your Lease, and in minimum types and amounts of coverage we require. Currently, our requirements include (i) commercial general liability insurance with a limit of not less than $2,000,000 per occurrence and in the aggregate; (ii) workers' compensation insurance with the statutory minimum coverage amounts, in accordance with laws applicable in the state in which your Store is operated; and (iii) employment practices liability insurance with a limit of not less than $1,000,000 per occurrence and in the aggregate.

We may periodically change the minimum amounts of coverage required under these insurance policies or require different or additional insurance coverages (including reasonable excess liability insurance) at any time to reflect inflation, identification of new risks, changes in law or standards of liability, higher damage awards or other relevant changes in circumstances. These insurance policies must be purchased from licensed insurers having a rating of "A/VIII" or higher by the then-current edition of Best Insurance Reports published by A.M. Best Company (or other similar publication or criteria we designate). Each insurance policy must name us and any affiliates we designate as additional named insureds, using a form of endorsement that we have approved, and provide for 30 days' prior written notice to us of a policy's material modification, cancellation or expiration. Each insurance policy must contain a waiver of all subrogation rights against us and any of our affiliates or other designees we specify. You must routinely furnish us copies of your certificates of insurance or other evidence of your maintaining this insurance coverage and paying premiums.

Purchase Arrangements, Material Benefits, and Revenue

We may periodically negotiate purchase arrangements with suppliers of products and services to franchisees, including price terms, though we have not currently done so. You may be required to purchase products or services at a price or on other terms we have negotiated in advance. We have not established purchasing or distribution cooperatives. We do not currently provide material benefits to franchisees for purchasing particular products or services or for using particular approved suppliers.

We and/or our affiliates may derive revenue in the form of rebates, vendor promotions, or other consideration from suppliers based on your purchases and leases of certain products and services, though currently neither we nor our affiliates do so.

None of our officers own any interest in any of the approved suppliers, other than in CR Commerce.

ITEM 9
FRANCHISEE'S OBLIGATIONS

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

Obligation	Section in Franchise Agreement	Item in Disclosure Document
(a) Site selection and acquisition/lease	Sections 2.A and 2.B	Item 11
(b) Pre-opening purchases/leases	Sections 2.B and 2.C	Item 5, 7, 8, and 11
(c) Site development and other pre-opening requirements	Section 2	Items 7, 8, and 11
(d) Initial and ongoing training	Section 4	Items 6, 7, and 11
(e) Opening	Sections 2.C	Item 11
(f) Fees	Section 3	Items 5, 6, 7, and 11
(g) Compliance with standards and policies/operating manual	Sections 4.C, 4.D and 8	Items 8, 11, and 16
(h) Trademarks and proprietary information	Sections 5 and 6	Items 13 and 14
(i) Restrictions on products/services offered	Sections 8.C, 8.E, and 8.H	Items 8, 11, 12, and 16
(j) Warranty and customer service requirements	Sections 8.F	Item 11
(k) Territorial development and sales quotas	Section 1.E	Item 1
(l) On-going product/service purchases	Sections 8.E and 8.F	Items 6 and 8
(m) Maintenance, appearance and remodeling requirements	Sections 8.A, 8.B and 11.A	Items 6, 8, 11, and 17
(n) Insurance	Section 8.G	Items 7 and 8
(o) Advertising	Section 9	Items 6, 7, 8, and 11
(p) Indemnification	Sections 16.D	Item 6
(q) Owner's participation/ management/staffing	Sections 1.C and 8.D	Items 11 and 15
(r) Records and reports	Section 10	Item 6
(s) Inspections and audits	Section 11	Items 6 and 11
(t) Transfer	Section 12	Item 17
(u) Renewal	Section 13	Item 17

Obligation	Section in Franchise Agreement	Item in Disclosure Document
(v) Post-termination obligations	Section 15	Item 17
(w) Non-competition covenants	Sections 7.A and 15.C	Item 17
(x) Dispute resolution	Section 17	Item 17
(y) Guaranty and assumption of obligations	Section 1.C and Attachment C	Item 15

ITEM 10
FINANCING

We do not offer direct or indirect financing. We do not guarantee your promissory notes, mortgages, leases or other obligations.

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

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

Prior to Opening Your Store

Before you begin operating your Store, we or our designees will:

1. Review and either approve or disapprove a proposed site and lease for your Store (Franchise Agreement – Sections 2.A and 2.B)

2. Review and approve or disapprove the construction plans and specifications for your Store. Other than initial inventory sold by CR Commerce, neither we nor our affiliates directly provide, deliver, or install any equipment, signs, fixtures, opening inventory, and supplies for our franchisees (Franchise Agreement – Section 2.C)

3. Provide the Initial Training Program to your Mandatory Trainees (Franchise Agreement – Section 4.A)

4. If you are developing your first Cha Redefine Store, provide on-site opening support in connection with the grand opening of your Store (Franchise Agreement – Section 4.B)

5. Make our Brand Manual available to you (Franchise Agreement – Section 4.E)

6. Review and either approve or disapprove your Store to open for business to the general public (Franchise Agreement – Section 2.C)

Site Selection

If you have not yet located a site for the Premises when you sign the Franchise Agreement, you must select a suitable site and obtain our approval of that site as your Premises. Neither we nor our affiliates generally own the sites for Cha Redefine Stores and lease any such sites to franchisees. You must send us all of the information we require for the proposed site. We will make all determinations about whether to approve a site based on our then-current criteria, including visibility, size, layout, adjacent uses, parking, demographics, local competition, and other factors we periodically determine. Currently, we estimate that we will provide notice of our decision to approve or disapprove a proposed site within 30 days of receiving the request. After you obtain our approval of a site for your Premises, you must execute a Lease that we approve for your Premises. The Lease must contain certain provisions we require, including collateral assignment of lease, under the form of lease rider attached as Attachment D to the Franchise Agreement. You must obtain our approval of a site that will be your Premises within 90 days of the date of signing your Franchise Agreement, and you must secure possession of such site under the terms of a Lease we have approved within 90 days of site approval, or 180 days from the date of signing your Franchise Agreement, whichever is earlier. If you fail to satisfy any of these deadlines, we may terminate your Franchise Agreement.

Opening Requirements

We estimate that you will begin operating your Store by the earlier of: (i) 180 days after the Lease is executed, or (ii) the first anniversary of the date you sign the Franchise Agreement. We may terminate the Franchise Agreement if you fail to open your Store by such deadlines. The date that you open your Store for business (your "Opening Date") will depend on several factors, including when: (a) your Mandatory Trainees complete our Initial Training Program to our satisfaction; (b) you obtain our approval of an acceptable site and lease for your Store; (c) you complete the build-out of the Premises in accordance with approved plans, including obtaining all required permits and licenses, and conforming the Premises to local ordinances and business codes; (d) you install all required fixtures, equipment, signage and other operating assets and components of the Technology Systems; (e) you obtain all other pre-opening inventory and supplies we designate; and (f) you meet all of our other criteria to our satisfaction before you begin operating your Store.

Assistance During the Operation of Your Store

During your operation of your Store, we or our designees will:

1. Subject to limitations on scheduling, availability, and similar resources, provide you with periodic advice regarding the operation of your Store, including ongoing training opportunities that we require or you request us to provide (Franchise Agreement – Section 4.D)

2. Continue to make our Brand Manual available to you (Franchise Agreement – Section 4.E)

3. Let you use our Marks and certain copyrighted and copyrightable materials in connection with the operation of your Store (Franchise Agreement – Section 5)

4. Approve or disapprove advertising materials you submit (Franchise Agreement – Section 9.C)

5. Approve or disapprove alternative vendors you submit (Franchise Agreement – Section 8.E)

6. Administer the Brand Fund pursuant to the terms of the Franchise Agreement (Franchise Agreement – Section 9.B)

7. Periodically set a maximum or minimum price that you may charge for products and services offered by your Store. We may also require you to comply with an advertising policy which will prohibit you from advertising any price for a product or service that is different than our suggested retail price. (Franchise Agreement – Section 8.H) (See Item 16)

Brand Manual

We will make our System Standards and other suggested specifications, standards and procedures, and information for the operation of Cha Redefine Stores available to you during the term of the Franchise Agreement, which may include one or more separate manuals, newsletters, memos, or bulletins, as well any audio or video content, and/or other content available through or distributed by any Online Presence or other electronic or digital means (collectively, the "Brand Manual").

The current table of contents of the Brand Manual is attached to this Disclosure Document as Exhibit C. There are currently 70 pages in our Brand Manual.

Advertising and Promotion

Grand Opening Advertising. You must spend at least $2,000 for a grand opening marketing program for your Store. You must spend this amount in addition to all other amounts you must spend on advertising under the Franchise Agreement. The amount you spend on grand opening advertising will not count towards your Local Advertising Expenditure (defined below) or your Brand Fund Contribution (defined below). You must submit a plan and budget for your grand opening marketing program to us for our approval before your expected Opening Date, and to complete all grand opening marketing pursuant to the plan we have approved. You must also use any media, materials, programs, and strategies that we require in connection with the grand opening advertising program.

Brand Fund. We have established a brand promotion fund (the "Brand Fund") to administer certain advertising, marketing, and public relations programs for the System, the Cha Redefine® brand, and the promotion of Cha Redefine Stores. You must contribute to the Brand Fund the amount that we prescribe (the "Brand Fund Contribution"). Currently, franchisees must contribute 1% of Gross Sales to the Brand Fund. We may periodically modify the amount of the Brand Fund Contribution with notice to you, provided that: (a) the total amount of the Brand Fund Contribution will not at any time exceed 3% of Gross Sales, and (b) the amount of the Brand Fund Contribution will not increase by more than 1% of Gross Sales in any 12-month period during the term of the Franchise Agreement.

The purpose of the Brand Fund is to promote the Marks, the System, the Cha Redefine® brand, and Cha Redefine Stores generally. There is no guarantee that you or your Store will benefit from Brand Fund expenditures directly or in proportion to your Brand Fund Contribution. We are not required to spend any amount on marketing within your Protected Territory.

We will have exclusive control over all programs and services administered by the Brand Fund, including over the creative concepts, materials, and campaigns and their geographic market, media placement and allocation. The Brand Fund may pay for preparing and producing video, audio, and written materials and electronic media; developing, implementing, and maintaining any website, domain name, email address, social media account, username, other online presence or presence on any electronic, virtual, or digital medium of any kind (each an "Online Presence") or other software or applications; administering national, regional, digital, or local advertising and marketing campaigns and/or programs; using advertising, promotion, and marketing agencies and other advisors to provide assistance; supporting public relations, market research, and other advertising, promotion, and marketing strategy or implementation activities; and/or any other expenditures that are directly or indirectly related to promoting the Marks, the System, the brand, and/or Cha Redefine Stores. We may also use the Brand Fund to pay for the Brand Fund's administrative and overhead costs, including the reasonable salaries and benefits of personnel who manage and administer the Brand Fund, and any other expenses that we or our affiliates incur that are related to administering or directing the Brand Fund and its programs. We may modify Brand Fund programs, services, or expenditures at any time.

We will account for the Brand Fund separately from our other funds. However, neither we nor any of our affiliates has any fiduciary obligation to you or any other person for administering the Brand Fund. The Brand Fund may spend in any year more or less than the total Brand Fund Contributions in that year, borrow from us or others (paying reasonable interest) to cover deficits, or invest any surplus for future use. We may administer the Brand Fund through a separate entity, and such entity will have all of the rights and duties specified in this Section. We will prepare an annual, unaudited statement of Brand Fund Contributions and expenses and give you the statement on written request, within 120 days after the end of each fiscal year, but not less than 30 days' notice from you of such request.

We may reduce or suspend Brand Fund Contributions and/or operations of the Brand Fund for one or more periods of any length and terminate (and, if terminated, reinstate) the Brand Fund and associated Brand Fund Contributions. If we terminate the Brand Fund, we will spend the remaining balance of the monies in the Brand Fund in accordance with our System Standards until such amounts are exhausted. We may elect to maintain multiple Brand Funds, whether determined by geographic region, country, or otherwise, or consolidate or merge multiple Brand Funds.

In our prior fiscal year, the Brand Fund Contributions we collected were spent in the following ways: 32% on media production, 39% on media placement, and 29% on administration. No portion of Brand Fund Contributions was used principally to solicit new franchise sales in our most recently completed fiscal year. We did not collect any Brand Fund Contributions from corporate-owned Cha Redefine Stores in our prior fiscal year. Cha Redefine Stores owned by us or our affiliates are not required to contribute to the Brand Fund at the same rate as franchise-owned Cha Redefine Stores.

Local Advertising Expenditure. You are solely responsible for conducting all local advertising for your Store. However, you must satisfy our System Standards for all advertising for your Store or using the Marks or the System, which may include the requirement that you advertise and market your Store in any advertising medium we determine, use forms of advertisement we approve, and/or list your Store with the online directories and subscriptions we periodically prescribe, and/or establish any other Online Presence we require.

We may require you to spend an amount that we periodically designate to advertise and promote your Store, in addition to your Brand Fund Contribution (the "Local Advertising Expenditure"). We may require you to pay part or all of your Local Advertising Expenditure to us or our designee to spend on marketing programs that we determine for your Store. We may periodically change the amount of your Local Advertising Expenditure with notice to you, provided that (a) the total amount of the Local Advertising Expenditure will not at any time exceed 2% of Gross Sales; and (b) the amount of the Local Advertising Expenditure will not be increased by more than 1% of Gross Sales in any 12-month period. You must send us, in the manner we prescribe, an accounting of your expenditures for local advertising at the intervals and on the dates that we periodically designate.

Your advertising, promotion, and marketing will be completely clear, factual, and not misleading and conform to both the highest standards of ethical advertising and marketing and the advertising and marketing policies that we prescribe. At least 14 days before you use them, you must send us for approval samples of all advertising, promotional, and marketing materials which we have not prepared or previously approved. If you do not receive written approval within 14 days after we receive the materials, they are deemed to be disapproved. Once we approve the materials, you are permitted to use them. However, we may withdraw our approval at any time and for any reason. You may not use any advertising, promotional, or marketing materials that we have not approved or have disapproved.

System Websites and Online Presences. We may establish and develop Online Presences to advertise, market, and promote Cha Redefine Stores, the products and services that they offer and sell, or the Cha Redefine Store franchise opportunity (each a "System Website"). We may, but are not obligated to, provide you with a webpage or other Online Presence that references your Store on any System Website. We will have unrestricted access to and sole ownership of all email accounts associated with a System Website, and all documents, data, materials, and messages shared from or by such accounts.

Except as provided above, or as approved by us in writing or in the Brand Manual, you may not develop, maintain, or authorize any Online Presence that mentions your Store, links to any System Website, or displays any of the Marks. You may also not engage in any promotional or similar activities, or sell any products or services, whether directly or indirectly, through any Online Presence, without our prior written approval. If we approve the use of any such Online Presence in the operation of your Store, you will develop and maintain such Online Presence only in accordance with our guidelines, including our guidelines for posting any messages or commentary on third-party websites and/or maintaining an online privacy policy. Unless we specify otherwise, we will own the rights to each such Online Presence. At our request, you must grant us access to each such Online Presence, and to take whatever action (including signing an assignment or other documents) we request to evidence our ownership of such Online Presence, or to help us obtain exclusive rights in such Online Presence.

Franchise Advisory Council. We do not have a franchisee advisory council that advises us on advertising policies.

Advertising Cooperatives. We do not have any local or regional advertising cooperatives.

Technology Systems

You must obtain, install and use all hardware, software, technology, and other systems that we specify from time to time, including computer, point-of-sale systems, financial and reporting software, telecommunications, security and similar systems that we approve for Cha Redefine Stores (collectively, the "Technology Systems"). We may modify System Standards for the Technology Systems periodically, including the designated or approved suppliers for the Technology Systems and/or require the use of designated Technology Systems for any purpose associated with your Store, and you must update your Technology Systems to comply with any modified System Standards promptly after you receive notice from us. There are no contractual limitations on the frequency and cost of this obligation, and we are not required to reimburse you for these costs. Currently, the Technology Systems are comprised of (i) 1 to 2 cash registers; (ii) 2 to 3 receipt and label printers; (iii) 1 self-ordering kiosk; (iv) 1 kitchen display monitor; (v) monthly subscription for Toast point-of-sale software; and (vi) a personal computer with internet connectivity and printer. We estimate the cost of acquiring and installing the Technology Systems will be $3,000 to $5,000. This estimate does not include the cost of a personal computer, as we assume you will already have a personal computer with internet connectivity.

We estimate the ongoing cost of maintaining and upgrading the Technology Systems to meet the then-current System Standards to be approximately $4,000 to $5,000 per year. This amount includes the monthly subscription fees that you must pay for the required point-of-sale software and certain other required third-party subscriptions. We also have the right to charge you a technology fee as described in Item 6. Neither we nor our affiliates have any obligation to provide ongoing maintenance, repairs, upgrades, or updates to your Technology Systems.

You must use the Technology Systems to maintain certain sales and other financial data, customer information, and other information we designate. We will have unlimited, independent access to your Technology Systems, and you must ensure that we and our designees will have the right to collect and retain from the Technology Systems any and all data we request or otherwise designate concerning your Store.

Initial and Ongoing Training

Prior to your Opening Date, you (or if you are conducting business as an entity, your Managing Owner) and two other management-level personnel we approve (one of which must be your Store Manager, if applicable) (together, the "Mandatory Trainees") must complete an initial training program conducted by us on the material aspects of operating a Cha Redefine Store (the "Initial Training Program") to our satisfaction. We will control the substance and duration of our Initial Training Program, which will be held at a location and in a format of our choice, which may be virtual (currently, all training is conducted at a Cha Redefine Store in California). We may vary the contents or duration of the Initial Training Program based on the experience, role, responsibilities of your attendees and other factors we determine. We will also determine the timing, dates, and schedule of the Initial Training Program. Scheduling of the training is based on the availability of the Mandatory Trainees, availability of space in the Initial Training Program, training facility availability and the projected Opening Date for your Store. If we determine that the Mandatory Trainees cannot complete the Initial Training Program to our satisfaction, we may terminate the Franchise Agreement.

You may invite additional attendees to the Initial Training Program, if space allows, subject to our approval, and subject to all attendees participating at once. We may deny any request for additional attendees in the Initial Training Program, and/or to repeat any portion of the Initial Training Program, for any reason that we determine (including any Mandatory Trainees that may have completed the Initial Training Program in connection with your development of a previous Cha Redefine Store). If the Mandatory Trainees complete our Initial Training Program to our satisfaction, and do not expressly and promptly request additional training after completion of the Initial Training Program, then you and they will be deemed to have been trained sufficiently to operate a Cha Redefine Store.

We may require that your Mandatory Trainees attend and satisfactorily complete various training courses that we periodically choose to provide at the times and locations that we designate, including courses and programs provided by third parties we designate. In addition to the Initial Training Program, we may require you (or if you are conducting business as an entity, your Managing Owner) and/or your Store Manager(s) (if applicable) to attend an annual meeting of all Cha Redefine Store franchise owners at a location we designate, if we host such a conference, which may be virtual. If you engage any new Store Manager(s) during the term of the Franchise Agreement, such person(s) must satisfactorily complete our then-current Initial Training Program. Additionally, if we at any time and from time to time determine that you are not operating your Store in compliance with our System Standards, we may require additional training for your Mandatory Trainees.

You must pay our then-current fee training fee if: (i) you request and we approve additional attendees in the Initial Training Program other than your initial Mandatory Trainees, (ii) you request and we approve attendance in the Initial Training Program for any Mandatory Trainees that have previously completed the Initial Training Program (including any Mandatory Trainees that may have completed the Initial Training Program in connection with your development of a previous Cha Redefine Store); (iii) we provide any portion of the Initial Training Program more than once to accommodate your attendees; (iv) if you request, and we provide, on-site opening support for your Store, or if we determine that providing such support is necessary to bring your Store into compliance with the System Standards; (v) we require you or your Mandatory Trainees to attend additional training because your Store is not being operated in compliance with our System Standards; (vi) we provide the Initial Training Program to any new or additional Store Manager(s) and/or Managing Owner during the Term; and/or (vii) if you request, and we agree to provide any additional or special guidance, assistance or training. Our training fee is currently $120 per person per day (subject to change by up to $50 per person per day on an annual compounding basis).

You must pay all travel, living, and other personnel costs and expenses (including wages, transportation, food, lodging, and workers' compensation insurance) that you and your Mandatory Trainees or any other employee incurs during any and all meetings and/or training programs. If any portion of the Initial Training Program is provided on-site at your Store, which we will determine, you must also reimburse the out-of-pocket costs and expenses we incur in sending our trainer(s) to your Store, including travel, food, accommodations, and living expenses.

The Initial Training Program that we currently provide to new Cha Redefine Store franchisees is comprised of the following components:

TRAINING PROGRAM

Subject	Hours of Classroom Training	Hours of On-The-Job Training	Location
Back-of-House Training (including food quality and control)	0	42 - 60	Training Facility we designate (currently in California)
Front-of-House Training (including cashier and shift responsibilities)	0	60 - 100	Training Facility we designate (currently in California)
Assignment Week (applying trained skills to a week-long shift that is directly supervised)	0	30 - 50	Training Facility we designate (currently in California)
TOTAL	**0**	**132 - 210**	

Our training team is led by Audrey Huang, our Secretary, who has 6 years of experience with the subject matters being taught, all of which was with us and our affiliates. Our training materials include the Brand Manual and other training and operations materials and manuals.

On-Site Opening Support. If you are developing your first Cha Redefine Store, we will send one or more of our representatives to your Store to assist you with your Store's grand opening. We will determine the identity and quantity of the representative(s) we send to your Store and the schedule for all such on-site opening support (which may be before and/or after your Opening Date). You must reimburse all of our and our representatives' out-of-pocket costs for providing on-site opening support to you, including travel, food, accommodations, and living expenses. If you are developing your second or subsequent Cha Redefine Store, we are not required to provide you with any on-site opening support. However, if you request such support or we determine that you need such support to bring your Store into compliance with System Standards, you must pay our then-current fee for any on-site opening support we provide you (currently, $120 per person per day, subject to change by up to $50 per person per day on an annual compounding basis, plus reimbursement of our costs and expenses).

General Guidance. Subject to scheduling, availability, and similar resources, we will provide you periodic advice regarding the operation of your Store. If you request and we agree to provide additional or special guidance, assistance, or training, we may charge you our then-current fee (currently, $120 per person per day, subject to change by up to $50 per person per day on an annual compounding basis, plus reimbursement of our costs and expenses). We will not be required to send any of our personnel and/or representatives to your Store to provide any services on-site if, in our sole determination, it is unsafe to do so. We may also elect to conduct any or all support, inspections, training, or other services virtually. We may discontinue or modify any and all ongoing training or advice we provide during the term of the Franchise Agreement.

ITEM 12
TERRITORY

You will not receive an exclusive territory. You may face competition from other franchisees, from outlets that we own or from other channels of distribution or competitive brands that we control. However, subject to your continued compliance with the Franchise Agreement, and the exclusions and limitations described below, neither we nor any of our affiliates will establish or operate or authorize any other person to establish or operate a Cha Redefine Store in the territory described in the Franchise Agreement (the "Protected Territory"). If you have not selected a site for your Store as of the date you sign the Franchise Agreement, we may define your Protected Territory at the time the Premises is approved by us. The Protected Territory for most franchisees will be a radius of 1 and 3 miles from their Cha Redefine Store. Other than your Protected Territory, you have no territorial protection and we and our affiliates retain all rights to conduct business activities of any kind, including, the right to:

(1) establish and operate, and allow others to establish and operate, other Cha Redefine Stores using the Marks and the System, at any location outside the Protected Territory, on such terms and conditions we deem appropriate;

(2) establish and operate, and allow others to establish and operate, any other type of business, including any business that may offer products and services which are identical to, similar to, or competitive with products and services offered by Cha Redefine Stores, under trade names, trademarks, service marks and commercial symbols other than the Marks, anywhere in the world, including in the Protected Territory;

(3) establish, and allow others to establish businesses and distribution channels other than a Cha Redefine Store (including, selling products at retail, wholesale, or through any Online Presence), wherever located or operating, including in your Protected Territory, regardless of the nature or location of the customers with whom such other businesses and distribution channels do business, including businesses that operate under trade names, trademarks, service marks or commercial symbols that are similar to, the same, or competitive with the Marks, and/or that sell products or services that are similar to, the same, or competitive with, those that Cha Redefine Stores customarily sell;

(4) establish and operate, and allow others to establish and operate, any Cha Redefine Store, or other business using the Marks and/or the System, and/or offering and selling any of the products or services that are similar to, the same, or competitive with those products or services offered by Cha Redefine Stores, at or through any non-traditional venues, including, temporary or

seasonal facilities, recreation parks or facilities, or business operated within any larger venue or closed market such as an airport, transportation center, university, stadium or entertainment center, at any location in the world, including in the Protected Territory;

(5) be acquired by or acquire (regardless of the form of transaction(s)), any other business, including businesses that operate or allow others to establish and operate businesses similar to, the same, or competitive with Cha Redefine Stores, at any location in the world, including in the Protected Territory (and in the event of such an acquisition, the acquirer and its affiliates will have the right to continue to establish and operate, and authorize others to establish and operate, such businesses, at any location in the world, including in the Protected Territory); and

(6) engage in all other activities not expressly prohibited by the Franchise Agreement, at any location in the world, including in the Protected Territory.

We may offer and sell and grant others the right to offer and sell goods and services to customers located anywhere, including in your Protected Territory. There are no limitations on your ability to solicit customers in any location. However, you may not sell any product or service associated with the Marks and/or offered by Cha Redefine Stores through any alternative channel of distribution (including selling products at retail or through the internet, catalog sales, telemarketing, direct marketing, e-commerce, product lines in other businesses, or through any other Online Presence) without our express prior authorization. You may not conduct any business of your Store from any location other than the Premises except as authorized by us.

We are not required to compensate you if we exercise any of the rights specified in this Item 12. Provided you are in full compliance with the Franchise Agreement and any other agreements with us and our affiliates, continuation of your territorial protection under the Franchise Agreement does not depend on your achieving a certain sales volume, market penetration, or other contingency.

You may only operate your Store at the Premises and you may not use your Premises for any operations other than the operation of your Store. You may not relocate your Store to a location other than the Premises without our prior approval. Our approval will depend on our then-current criteria for relocations, which may change periodically, and which may include the prospects of obtaining a favorable replacement site, the real estate market in your area, your compliance with System Standards, the financial performance of your Store, and other factors we determine. You have no right of first refusal or similar rights to acquire additional Cha Redefine Stores.

Although we are not restricted from doing so, we and our affiliates have not established, operated or franchised, and do not currently intend to establish, operate, or franchise, any other franchises or company-owned outlets offering similar services or goods under a different trademark.

ITEM 13
TRADEMARKS

Principal Marks

CR Brands owns the following Marks, which have been registered or have been applied for on the Principal Register of the U.S. Patent and Trademark Office:

Mark	Registration / Application Number	Registration / Application Date
CHA REDEFINE	Reg. No. 6206568	November 24, 2020
	Reg. No. 6269719	February 16, 2021
CHAPPUCCINO	Reg. No. 7685013	February 11, 2025
	App. No. 99691391	March 9, 2026
CHAREDEFINE (Word Mark)	App. No. 99691381	March 9, 2026

We do not have a federal registration for each of our principal trademarks. Therefore, such unregistered trademarks do not have many legal benefits and rights as a federally registered trademark. If our right to use an unregistered trademark is challenged, you may have to change to an alternative trademark, which may increase your expenses.

All required affidavits of use and renewals will be filed in a timely manner. There is presently no effective determination of the U.S. Patent and Trademark Office, the Trademark Trial & Appeal Board, the trademark administrator of any state or any court, nor any pending infringement, opposition or cancellation proceeding or any pending material litigation involving our principal Marks.

CR Brands licenses the Marks and the other intellectual property of the System to us pursuant to a license agreement dated September 17, 2024, with an initial term of 99 years. The license agreement may be terminated: (i) by mutual agreement of the parties; (ii) by either party if the other party breaches and does not cure the breach within 30 days; (iii) by CR Brands if we are dissolved or cease to exist as a business entity; or (iv) by CR Brands if a majority of the ownership or voting control of us ceases to be under common control with the ownership or voting control of CR Brands. Upon termination or expiration of the license agreement, we will have the right to honor our franchise obligations to existing franchisees, but we may not grant new franchises for Cha Redefine Stores. The license agreement may be amended only by written consent of the parties.

Your Use of the Marks and the System

You will be granted a limited, non-exclusive license to use the Marks and the System for the term of the Franchise Agreement, strictly to operate your Store in compliance with the terms of the Franchise Agreement and the System Standards. You will have no right to sublicense or assign your right to use the Marks and the System. You must use and display the Marks in the manner we describe in the Brand Manual. You may not use any other trademarks, service marks, commercial symbols, other than the Marks, to identify or operate your Store. The Marks and the System may evolve over time, including after you sign the Franchise Agreement. If we decide to modify, substitute, add or discontinue the use of any Marks or the System, you must make the modifications and updates we specify and comply with all other directions we give regarding the use of the Marks and the System in connection with your Store within a reasonable time after receiving notice from us. We are not required to reimburse you for any costs or expenses associated with making such changes, promoting a modified or substitute Mark, or for any loss of revenue due to any modifications to the Marks or System.

Ownership, Infringement, and Claims

The Marks and the System are owned by us and/or our affiliates. Your use of the Marks and the System and any goodwill established by that use are exclusively for the benefit of us and CR Brands, or our respective affiliates. The Franchise Agreement does not confer any goodwill or other interests in the Marks or the System upon you, other than the right to operate your Store under the Franchise Agreement. You will be prohibited from contesting or assisting any other person in contesting the validity of any registration for the Marks or the System, and/or the rights to the Marks and the System of us and CR Brands (as applicable) or any of our respective affiliates.

You will be required to notify us immediately of any apparent infringement or challenge to your use of the Marks or the System, or of any person's claim of any rights in the Marks or the System, and not to communicate with any person other than us, our affiliates and our and their attorneys, and your attorneys, regarding any infringement, challenge, or claim. We and our affiliates may take the action we deem appropriate (including no action) and control exclusively any litigation or other legal or administrative proceeding arising from any infringement, challenge, or claim or otherwise concerning the Marks or the System. You must sign any documents and take any other action that we deem necessary or advisable to protect and maintain our and our affiliates' (as applicable) interests in the Marks and the System. Neither we nor our affiliates will have any obligation to defend the Marks or the System from valid claims of prior use or of lawful concurrent use by others.

We will reimburse you for all costs and expenses that you incur in defending any trademark infringement proceeding disputing your authorized use of the Marks under the Franchise Agreement if you have timely notified us of, and comply with our directions in responding to, the proceeding, and are in compliance with your Franchise Agreement. If we or our affiliates choose to control the defense of any such proceeding, such person may choose its own legal counsel and other similar representatives, and it will not be liable to you or any of your affiliates or representatives for any costs or expenses incurred on the basis of any additional or separate legal counsel or similar representatives you or they retain. We are not aware of any superior rights or infringing uses that could materially affect your use of the Marks in any state where your Store may be located.

ITEM 14
PATENTS, COPYRIGHTS, AND PROPRIETARY INFORMATION

We do not own any patents, and we have not filed any patent applications, that are material to the franchise.

We and/or our affiliates claim copyrights in the Brand Manual, System Websites, advertising materials, any or all of the design elements contained within the Marks, and other materials used in operating Cha Redefine Stores and the System. We have not registered these copyrights with the U.S. Copyright Office. You may use the copyrighted works only as we specify while operating your Store (and must stop using them if we so direct you). There currently are no effective adverse determinations regarding the copyrighted materials. We are not aware of any infringing uses of our copyrighted works which could materially affect your use of the copyrighted works. We need not protect or defend our copyrighted works. We may control any action involving the copyrighted works, even if you bring the matter to our attention. We need not participate in your defense nor indemnify you for damages or expenses in a proceeding involving the copyrighted works.

In connection with your franchise, you and your owners and personnel may periodically be provided and/or have access to non-public information about the System and the operation of Cha Redefine Stores, including your Store (the "Confidential Information"), including: (1) site selection criteria, market or demographic research, and/or other real estate reports; (2) training and operations materials and manuals, including the Brand Manual; (3) the System Standards and other methods, formats, specifications, standards, systems, procedures, techniques, sales and marketing techniques, knowledge, and experience used in developing, promoting and operating Cha Redefine Stores; (4) recipes, ingredient lists, nutrition facts, methods of preparation, and other information about products and menu items, including the existence or specifications of any seasonal or other unreleased products and menu items; (5) market research, promotional, marketing and advertising programs for Cha Redefine Stores; (6) identity and specifications for Vendors, products, services and supplies; (7) any software or technology which is proprietary to the System, including any login credentials, source code, data, reports, and any other data, materials generated by such technology; (8) knowledge of the operating results and financial performance of any Cha Redefine Store(s); (9) customer data, including names, addresses, telephone numbers, email addresses, buying habits, purchase history, preferences, demographic information and related information, opt-in/opt-out preferences and information regarding the exercise of any other privacy rights; (10) any other data, materials and/or information that is created by, stored in, and/or derived from your Technology Systems in connection with your Store; and (11) any other information designated as confidential or proprietary by us or our affiliates.

All Confidential Information is exclusively owned by us or our affiliates and is proprietary to our System (other than certain personal information relating to your employees and personnel, and/or certain other data that we do not have access to or are otherwise designated or restricted by us). You and your owners agree to (and to use each of your best efforts to cause each of your respective current and former spouses, immediate family members, owners, officers, directors, employees, representatives, affiliates, successors and assigns to): (i) process, retain, use, collect, and disclose our Confidential Information strictly to the limited extent, and in such a manner, as necessary for the development and operation of your Store in accordance with the Franchise Agreement; (ii) process, retain, use, collect, and disclose our Confidential Information strictly in accordance with the privacy policies and System Standards we establish, and our and our representative's instructions; (iii) keep confidential and not disclose, sell, distribute, or trade our Confidential Information to any person other than those of your employees and representatives who need to know such Confidential Information for the purpose of assisting you in operating your Store in accordance with the Franchise Agreement (you will be responsible for any violation of this requirement by any person to whom you provide Confidential Information); (iv) not make unauthorized copies of any of our Confidential Information; (v) adopt and maintain administrative, physical and technical safeguards to prevent unauthorized use or disclosure of any of our Confidential Information, including by establishing reasonable security and access measures, restricting its disclosure to key personnel, and/or by requiring persons who have access to such Confidential Information to be bound by contractual obligations to protect such Confidential Information and preserve our rights and controls in such Confidential Information, in each case that are no less protective or beneficial to us than the terms of the Franchise Agreement (and we may designate or approve the form of confidentiality agreement that you will use, except that you are responsible for ensuring that such form complies with applicable laws); and (vi) at our request, destroy or return any of the Confidential Information. Confidential Information does not include information, knowledge, or know-how, which is lawfully known to the public without violation of applicable law or an obligation to us or our affiliates.

As it relates to any "personally identifiable information" that constitutes part of our Confidential Information, you must also: (a) process, retain, use, collect, and disclose all personal information only in strict accordance with all applicable laws, regulations, orders, the guidance and codes of practice issued by industry or regulatory agencies, and the privacy policies and terms and conditions of any applicable Online Presence; (b) assist us with meeting our compliance obligations under all applicable laws, regulations, and orders relating to personal information, including the guidance and codes of practice issued by industry or regulatory agencies; and (c) promptly notify us of any communication or request from any customer or other person to access, correct, delete, opt-out of, or limit activities relating to any personal information.

All improvements, developments, derivative works, feedback, enhancements, or modifications to any component of the franchise system, including any new or modified systems of operation, and any information or materials made or created by you, your employees or your representatives, whether developed separately or in conjunction with us, will become part of the System and be owned by us and our affiliates. If you, your employees, or your representatives are deemed to have any interest in such intellectual property, you must assign all right, title and interest in and to such innovations to us and agree to obtain the same from your personnel and representatives.

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

You must identify one of your owners who is a natural person with at least 10% ownership interest and voting power in you and who will have authority and signatory power on your behalf (the "Managing Owner") to supervise the business you conduct under the Franchise Agreement. Your Managing Owner must be authorized to deal with us in all matters whatsoever which may arise with respect to the Franchise Agreement. You must obtain our written consent prior to changing the Managing Owner.

You (or if you are conducting business as an entity, your Managing Owner) are solely responsible for the management, direction, and control of your Store. You (or your Managing Owner) must supervise the management and operation of your Store and continuously exert best efforts to promote and enhance your Store. However, you (or your Managing Owner) may elect not to supervise your Store day-to-day on a full-time basis, provided that you appoint one or more managers who we have approved and who have completed our then-current Initial Training Program to work full-time at your Store (each a "Store Manager"). Your Store Manager(s) must work full-time at your Store to supervise the day-to-day operations of your Store, must meet our conditions we establish for individuals serving as a Store Manager, including completing the Initial Training Program to our satisfaction.

If you are a legal business entity, each of your direct and indirect owners must execute a guaranty in the form personally to be bound, jointly and severally, by all provisions of the Franchise Agreement and any ancillary agreements between you and us. Our current form of guaranty is attached as Attachment D to the Franchise Agreement. If any owner is an individual, his or her spouse must consent in writing to that owner's execution of the guaranty.

ITEM 16
RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

You must offer and sell from your Store all of the products and services that we periodically specify. You may not offer or sell at your Store, the Premises, or any other location any products or services we have not authorized using our Marks or System. You must discontinue selling and offering for sale any products or services that we at any time disapprove. You must offer for sale and sell at your Store authorized products and services only in the manner (including days and hours of operation) and at the locations we have prescribed, and you must not sell any products or services wholesale or through alternative channels of distribution without our express approval. We may modify the products and services you are authorized or required to offer and sell at your Store at any time and from time to time, and/or to set System Standards for such products or services. We may authorize one or more Cha Redefine Stores to offer additional, different, or modified products or services, and we are under no obligation to authorize every Cha Redefine Store to offer the same products or services. We may condition our approval for any such products or services on our then-current criteria, and/or additional terms and conditions that we establish. If we at any time (including after our initial approval) determine that you fail to meet our System Standards for offering or selling any products or services, we may permanently or temporarily terminate your right to offer or sell such products or services.

If we at any time require or permit you to offer delivery, catering and/or any other off-site products or services, we may limit the geographic area in which you may offer such services, and we may modify that geographic area periodically based on factors we determine.

Unless prohibited by applicable law, we may periodically set a maximum or minimum price that you may charge for products and services offered by Cha Redefine Stores. If we impose such a maximum or minimum price for any product or service, you may charge any price for the product or service up to and including our designated maximum price or down to and including our designated minimum price. The designated maximum and minimum prices for the same product or service may, at our option, be the same. For any product or service for which we do not impose a maximum or minimum price, we may require you to comply with an advertising policy adopted by us which will prohibit you from advertising any price for a product or service that is different than our suggested retail price. Although you must comply with any advertising policy we adopt, you will not be prohibited from selling any product or service at a price above or below the suggested retail price unless we impose a maximum price or minimum price for such product or service.

ITEM 17
RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION

THE FRANCHISE RELATIONSHIP

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

Provision	Section in Franchise Agreement	Summary
(a) Length of the franchise term	Section 1.B	Begins the date of signing the Franchise Agreement and expires 10 years from your Store's Opening Date.
(b) Renewal or extension of the term	Section 12	If you satisfy the conditions in the Franchise Agreement, you may renew your franchise for one successive term of 5 years.
(c) Requirements for franchisee to renew or extend	Section 13	You must meet the following conditions to qualify for a renewal franchise: (i) give us notice 180 to 270 days before expiration; (ii) substantially comply with the Franchise Agreement during its term; (iii) maintain possession of the Premises for at least as long as the full term of the renewal franchise; (iv) agree to remodel and/or expand your Premises, add or replace improvements, and otherwise modify your Store as we require to comply with System Standards then applicable for new Cha Redefine Stores; (v) pay us a renewal fee; (vi) for at least 60 days prior to electing to obtain a renewal franchise, remain in full compliance with the Franchise Agreement and all System Standards; (vii) sign our then-current Franchise Agreement, the terms of which may be materially different from your current Franchise Agreement; and (viii) sign a general release (subject to state law). We must be offering franchises for Cha Redefine Stores in your geographic market at the time you seek to obtain a renewal franchise.
(d) Termination by franchisee	Section 14.B	You may terminate the Franchise Agreement if you are in full compliance with the applicable agreement, we materially breach the Franchise Agreement, and we do not cure the default within 30 days after notice from you, or, if we cannot correct the failure within 30 days, we fail to give you reasonable evidence of our effort to correct the failure within 30 days after you deliver notice to us (subject to state law). Termination is effective an additional 30 days after you deliver to us written notice of termination.
(e) Termination by franchisor without cause	Not Applicable	We may not terminate the Franchise Agreement without cause.
(f) Termination by franchisor with cause	Section 14.C	We may terminate the Franchise Agreement if you or your owners commit one of several violations.
(g) "Cause" defined — curable defaults	Section 14.C	10 days to pay past due amounts owed to us or our affiliates; applicable cure period to pay past due amounts owed to third parties and cure other material defaults to third parties; 72 hours to cure violations of law, ordinance, rule or regulation of a

Provision	Section in Franchise Agreement	Summary
		governmental agency; 10 days to cure any deficiencies in insurance requirements; 30 days to cure an attachment, seizure, warrant, writ, or levy on your Store, or to vacate any order appointing a receiver, trustee, or liquidator on your Store or its assets; 15 days to cure failures identified in quality assurance audit, mystery shopper visit, or other inspection; and 30 days to cure a breach of any other provision or obligation under the Franchise Agreement or any agreement between you (and your affiliates) and us (and our affiliates) (subject to state law).
(h) "Cause" defined — non-curable defaults	Section 14.C	Material misrepresentations or omissions; failure to obtain site or lease approval by the specified deadlines, or failure to open your Store for business by the specified deadline; your Mandatory Trainees do not successfully complete the Initial Training Program; abandonment or failure to operate your Store for more than 7 consecutive days, or you provide us with notice of your intent to close or abandon your Store; felony; beach of restrictive covenants or confidentiality or intellectual property covenants; unapproved transfer; default or termination of Lease or loss of your right to occupy the Premises; failure to pay taxes due; understatement of Gross Sales 3 or more times; 3 or more breaches within 12 months, or 2 or more of the same breach within 12 months, regardless of cure; immediate health or safety risk; 2 or more instances of abusive or inappropriate conduct; and assignment for benefit of creditors or bankruptcy.
(i) Franchisee's obligations on termination / non-renewal	Section 15	Pay all amounts owed; close your Store for business; cease using the Marks; cease identifying yourself as a current or former franchise owner or Cha Redefine Store; remove all materials and signage bearing the Marks and remove all proprietary trade dress to de-identify the Premises; cease using contact information and Online Presences and transfer controls to us; return or destroy all items, forms, and material contain the Marks and return or destroy Confidential Information (including the Brand Manual and any and all customer data or other information from your Technology Systems); comply with all other System Standards and applicable laws for closure and de-identification; and provide us evidence of compliance with all obligations. You must also pay us lost revenue damages if we terminate the Franchise Agreement for your breach, or you terminate the Franchise Agreement other than as permitted under the Franchise Agreement.
(j) Assignment of contract by franchisor	Section 12.A	There is no restriction on our right to assign.

Provision	Section in Franchise Agreement	Summary
(k) "Transfer" by franchisee — defined	Section 12.B	"Transfer" includes a voluntary, involuntary, direct, or indirect assignment, sale, gift, or other disposition, including transfer by reason of merger, consolidation, issuance of additional securities, death, disability, divorce, insolvency, encumbrance, foreclosure, surrender or by operation of law of: (i) the Franchise Agreement or any rights under or interest in the Franchise Agreement; (ii) your Store or substantially all of its assets, or the possession or control, or management of, your Store; or (iii) any direct or indirect ownership interest in you, if you operate as an entity.
(l) Franchisor approval of transfer by franchisee	Sections 12.B and 12.C	You may only make or initiate a transfer with our prior written approval, and only in accordance with the standards provided in the Franchise Agreement.
(m) Conditions for franchisor approval of transfer	Section 12.C	Your Store must be open for business; you submit an application for transfer and provide all information we request; the transfer and transferee must satisfy our criteria; you and your owners must be in compliance with your agreements with us; you provide us the documents we request about the transfer; you must execute all documents we require, including a general release (subject to state law); transferee and its personnel successfully complete our then-current Initial Training Program; all necessary actions under the Lease are completed; you correct existing deficiencies of your Store; transferee signs our then-current franchise agreement, guaranty, and other documents, the provisions of which may differ materially from those contained in the Franchise Agreement; you pay a transfer fee; and you provide evidence of appropriate transfer of operations.
(n) Franchisor's right of first refusal to acquire franchisee's business	Section 12.F	If you or any of your owners wish to conduct any transfer that would require our approval, you must obtain a copy of a bona fide written offer for the transfer and we will have the right of first refusal to obtain the transferred interest(s) on the same terms for 60 days after we receive a copy of the offer and all other information we request; we may substitute cash for any form of payment proposed in the offer; we are offered the same terms for any promissory notes or other deferred payments as those offered by the proposed transferee; we have an additional 90 days to prepare for closing after notifying you of our election to purchase; and we receive all customary representations and warranties given by the seller of the assets of a business or the ownership interests in any legal business entity. If the sale is not complete within 60 days after notice of intent to not exercise right of first refusal, or there is a material change in terms of the offer, we will have an additional right of first refusal.
(o) Franchisor's option to purchase	Section 15.D	We may purchase any or all of the assets of your Store (including the Premises, if it is owned by you or one of your owners or affiliates) upon the termination or expiration of the Franchise Agreement. The purchase price will be based upon the net

Provision	Section in Franchise Agreement	Summary
franchisee's business		realizable value of the tangible assets in accordance with the liquidation basis of accounting. We may exercise this right by giving you written notice of our election within 30 days after the termination or expiration. If challenged, the purchase price will be determined by an appraiser designated by us, with costs and fees shared equally by both parties. While any decision regarding purchasing your Store is pending, we may operate your Store on an interim basis as provided in the Franchise Agreement.
(p) Death or disability of franchisee	Section 12.D	Upon death or disability of you or your owners, the estate of such person must transfer all interest in your Store to a party we approve within 180 days following the date of death or disability. If, as a result of the death or incapacity of the transferor, your Store is not otherwise being managed by a Store Manager, a personal representative must appoint a Store Manager who we approve and who has completed our then-current Initial Training Program to supervise the day-to-day operations of your Store within 15 days from the date of death or disability.
(q) Non-competition covenants during the term of the franchise	Section 7.A	You and your owners agree may not have any involvement, directly or indirectly, in a "Competitive Business" during the term of the Franchise Agreement; lease or sublease the premises to a Competitive Business; or perform services for a Competitive Business in any location worldwide. "Competitive Business" means any business operating or granting franchises or licenses to others to operate any business: (1) for which tea, coffee, matcha, and fruit beverages, bakery items, tea and coffee retail products and/or similar products represent more than 20% of the total gross revenue; or (2) whose menu or concept is otherwise substantially similar to that of Cha Redefine Stores (subject to state law).
(r) Non-competition covenants after the franchise is terminated or expires	Section 15.C	For 2 years beginning on the later of (1) the termination or expiration of the Franchise Agreement (or the effective date of a transfer, for the transferor) or (2) the date you and your owners begin to comply, you and your owners may not have any direct or indirect interest in a Competitive Business; lease or sublease the premises to a Competitive Business; or perform services for a Competitive Business which is located or operating (a) at the Premises or within a 5-mile radius of the Premises, or (b) within a 5-mile radius of any Cha Redefine Store (subject to state law).
(s) Modification of the agreement	Section 17.N	No modification unless by written agreement of both parties, but we may change the Brand Manual and System Standards at any time.
(t) Integration / merger clause	Section 17.K	Only the written terms of the Franchise Agreement and other related written agreements are binding (subject to state law). Any representations or promises outside the Franchise Agreement may not be enforceable; provided, that nothing 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	Section 17.F	Subject to state law, all controversies, disputes or claims between us must be submitted for binding arbitration to the American Arbitration Association on demand of either party. We and you must arbitrate all disputes at a suitable location chosen by the arbitrator within 50 miles of our or, as applicable, our successor's or assign's then-current principal place of business (currently, Temple City, California). Arbitration may not be conducted on a class-wide basis, consolidated with any other proceeding, or brought on your behalf by an association or agent.
(v) Choice of forum	Section 17.H	Subject to state law and your obligation to arbitrate, you must commence actions in the court nearest to our or, as applicable, our successor's or assign's then-current principal place of business (currently, Temple City, California).
(w) Choice of law	Section 17.G	Except for the Federal Arbitration Act and other federal law, the laws of the state in which your Store is located governs, without regard to its conflict of laws rules, except that any state law regulating the offer or sale of franchises or governing the relationship of a franchisor and its franchisee will not apply unless its jurisdictional requirements are met independently from the Franchise Agreement's terms (subject to state law).

ITEM 18
PUBLIC FIGURES

We do not use any public figure to promote the franchise system.

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 performance at a particular location or under particular circumstances.

The data below is based on the 3 Cha Redefine Stores in California operated by our affiliates for the entirety of the 12-month period ended December 31, 2025. This excludes (i) 1 Cha Redefine Store that closed during 2025; and (ii) 2 franchised Cha Redefine Stores that opened but were not open for business during the entirety of 2025.

Gross Sales of Corporate Cha Redefine Stores

The table below discloses the average, highest, lowest, and median Gross Sales of the 3 Cha Redefine Stores operated by our affiliates from January 1, 2025 to December 31, 2025.

2025 Gross Sales	
# of Cha Redefine Stores	3
Lowest $ Gross Sales	$849,707
Highest $ Gross Sales	$1,788,601
$ Gross Sales Median	$1,470,297
$ Gross Sales Average	$1,369,535
# of Cha Redefine Stores at or above average	2 (66.6%)

"Gross Sales" means all revenue derived from operating a Cha Redefine Store, whether from cash, check, vouchers, tickets, or other comparable forms of payment, credit and debit card, barter exchange, trade credit, or other credit transactions, but excluding all federal, state, or municipal sales, use, or service taxes collected from customers and paid to the appropriate taxing authority.

Operating Profit Percentage of Corporate Cha Redefine Stores

The table below discloses the average, highest, lowest, and median Operating Profit Percentage of the 3 Cha Redefine Stores operated by our affiliates from January 1, 2025 to December 31, 2025.

2025 Operating Profit %	
# of Cha Redefine Stores	3
Lowest Operating Profit %	34.8%
Highest Operating Profit %	40.1%
Median Operating Profit %	38.0%
Average Operating Profit %	37.3%
# of Cha Redefine Stores at or above average	2 (66.6%)

"Operating Profit Percentage" was calculated by: (a) subtracting the Cost of Goods Sold, Labor Costs, and General Operating Expenses (as we define each term below) for each Cha Redefine Store from the Gross Sales of each such Cha Redefine Store; (b) dividing that amount by the Gross Sales of each of those same Cha Redefine Stores; and (c) reflecting it as a percentage. The Operating Profit Percentage is not a reflection of gross or net profit. For example, Operating Profit Percentage does not reflect any other costs that the Cha Redefine Stores incurred, including insurance premiums, occupancy costs, pre-opening costs, licenses and permits, common area maintenance, real estate taxes, personal property taxes, legal and professional fees, equipment rental fees, interest and debt service costs, income taxes, and depreciation and amortization. This amount also does not include fees that you would be required to pay us, such as Royalties, Brand Fund Contributions, or Technology Fees.

"Cost of Goods Sold" means the cost for food, paper and beverage net of any vendor rebates.

"Labor Costs" means wages (including overtime), bonus and other incentive compensation, health insurance premiums, vacation pay, workers' compensation costs and associated payroll taxes paid to the employees who spend all of their time at the particular Cha Redefine Stores, including any Store Managers. Labor Costs does not include amounts for the salaries or wages of multi-Store supervisors or owners, trainers, or any marketing, accounting, contract administration or other services done by employees of us or our affiliates at the corporate level.

"General Operating Expenses" means the costs for supplies including smallwares; cleaning supplies; telephone, gas, electric, water, waste removal and other utilities; advertising, marketing and promotion; controllable expenses like employee uniforms, repairs and maintenance on the equipment and restaurant premises; service contracts; office supplies and janitorial supplies and services; and non-controllable expenses like cash handling and credit card fees, payroll processing fees, accounting and other professional fees, and employee recruiting costs.

***

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

Written substantiation for the financial performance representation will be made available to you upon reasonable request. Other than the preceding financial performance representation, 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 Audrey Huang, 9083 Las Tunas Drive, Temple City, California 91780 and (646) 244-8778, the Federal Trade Commission, and the appropriate state regulatory agencies.

ITEM 20
OUTLETS AND FRANCHISEE INFORMATION

TABLE NO. 1
SYSTEMWIDE OUTLET SUMMARY
FOR YEARS 2023 TO 2025

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised	2023	0	0	0
	2024	0	0	0
	2025	0	2	+2
Company-Owned	2023	2	5	+3
	2024	5	4	-1
	2025	4	3	-1

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Total	**2023**	**2**	**5**	**+3**
	2024	**5**	**4**	**-1**
	2025	**4**	**5**	**+1**

TABLE NO. 2
TRANSFERS OF OUTLETS FROM FRANCHISEES TO
NEW OWNERS (OTHER THAN FRANCHISOR OR AN AFFILIATE)
FOR YEARS 2023 TO 2025

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

TABLE NO. 3
STATUS OF FRANCHISED OUTLETS
FOR YEARS 2023 TO 2025

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations - Other Reasons	Outlets at End of Year
California	2023	0	0	0	0	0	0	0
	2024	0	0	0	0	0	0	0
	2025	0	1	0	0	0	0	1
Ohio	2023	0	0	0	0	0	0	0
	2024	0	0	0	0	0	0	0
	2025	0	1	0	0	0	0	1
Totals	**2023**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
	2024	**0**	**0**	**0**	**0**	**0**	**0**	**0**
	2025	**0**	**2**	**0**	**0**	**0**	**0**	**2**

TABLE NO. 4
STATUS OF COMPANY-OWNED OUTLETS
FOR YEARS 2023 TO 2025

State	Year	Outlets at Start of Year	Outlets Opened	Outlets Reacquired from Franchisee	Outlets Closed	Outlets Sold to Franchisee	Outlets at End of Year
California	2023	2	3	0	0	0	5
	2024	5	0	0	1	0	4
	2025	4	0	0	1	0	3
Totals	**2023**	**2**	**3**	**0**	**0**	**0**	**5**
	2024	**5**	**0**	**0**	**1**	**0**	**4**
	2025	**4**	**0**	**0**	**1**	**0**	**3**

TABLE NO. 5
PROJECTED OPENINGS
FOR THE 2026 YEAR AS OF DECEMBER 31, 2025

State	Franchise Agreements Signed But Not Opened	Projected New Franchised in the Next Fiscal Year	Projected New Company-Owned Outlets in the Next Fiscal Year
California	0	1	2
Texas	1	1	0
Totals	**1**	**2**	**2**

The numbers in the Tables 1 through 5 above are as of December 31, 2025, December 31, 2024, and December 31, 2023, as applicable.

Exhibit D contains a list of the names, addresses and telephone numbers of our current franchisees as of December 31, 2025, as well as a list of the names and last known address and telephone number of each franchisee who had a Franchise Agreement terminated, cancelled, not renewed or who otherwise voluntarily or involuntarily ceased to do business under the Franchise Agreement during the most recently completed fiscal year, or who had not communicated with us within 10 weeks of the issuance date of this Disclosure Document. If you buy this franchise, your contact information may be disclosed to buyers when you leave the franchise system.

Within the last three years, no franchisees have signed confidentiality clauses. In some instances, however, current and former franchisees may sign provisions restricting their ability to speak openly about their experience with our franchise system. You may wish to speak with current and former franchisee but be aware that not all such franchisees will be able to communicate with you.

There are no trademark-specific franchisee organizations that were created, sponsored, or endorsed by us and there were no trademark-specific franchisee organizations that requested to be included in this Disclosure Document.

ITEM 21
FINANCIAL STATEMENTS

We have not been in business for three years or more, and therefore we cannot include all financial statements required. Attached to this Disclosure Document as Exhibit E are our audited balance sheets as of December 31, 2025 and December 31, 2024, and the related statements of operations, members' equity, and cash flows for the fiscal years then-ended. Our fiscal year ends December 31.

ITEM 22
CONTRACTS

The following contracts are attached as exhibits to this Disclosure Document:

EXHIBIT B-1 Franchise Agreement
- Attachment D Guaranty and Assumption of Obligations
- Attachment E Lease Rider
- Attachment F Confidentiality & Non-Competition Agreement
- Attachment G State-Specific Riders

EXHIBIT B-2 Representations Statement
EXHIBIT B-3 Sample General Release
EXHIBIT F State Addenda to Disclosure Document

ITEM 23
RECEIPTS

Exhibit G contains detachable documents acknowledging your receipt of this Disclosure Document. Please sign and date both copies of the receipt, keep one copy for your records, and return the other signed and dated copy to us.

EXHIBIT A

STATE ADMINISTRATORS/AGENTS FOR SERVICE OF PROCESS

STATE ADMINISTRATORS/AGENTS FOR SERVICE OF PROCESS

Listed here are the names, addresses and telephone numbers of the state agencies having responsibility for the franchising disclosure/registration laws. We may not yet be registered to sell franchises in any or all of these states. There may be states in addition to those listed below in which we have appointed an agent for service of process. There may also be additional agents appointed in some of these states.

CALIFORNIA

Department of Financial Protection & Innovation:
Toll Free: 1 (866) 275-2677

Los Angeles

Commissioner of Financial Protection & Innovation
320 West 4th Street
Suite 750
Los Angeles, California 90013
(213) 576-7500

Sacramento

Commissioner of Financial Protection & Innovation
651 Bannon Street
Sacramento, CA 95811
(916) 445-7205

San Diego

Commissioner of Financial Protection & Innovation
1455 Frazee Road, Suite 315
San Diego, California 92108
(619) 610-2093

San Francisco

Commissioner of Financial Protection & Innovation
One Sansome Street, Suite 600
San Francisco, California 94104-4428
(415) 972-8559

HAWAII

Business Registration Division
Securities Compliance Branch
Department of Commerce
and Consumer Affairs
P.O. Box 40
Honolulu, Hawaii 96810
(808) 586-2727

ILLINOIS

Franchise Bureau
Office of the Attorney General
500 South Second Street
Springfield, Illinois 62706
(217) 782-4465

INDIANA

Indiana Secretary of State
Securities Division, E-111
302 West Washington Street
Indianapolis, Indiana 46204
(317) 232-6681

MARYLAND

Office of the Attorney General
Securities Division
200 St. Paul Place
Baltimore, Maryland 21202-2021
(410) 576-6300

MICHIGAN

Michigan Attorney General's Office
Corporate Oversight Division
Attn: Franchise Section
G. Mennen Williams Building, 5th Floor
525 West Ottawa Street
Lansing, Michigan 48913
(517) 335-7567

MINNESOTA

Commissioner of Commerce
Minnesota Department of Commerce
85 7th Place East, Suite 280
St. Paul, Minnesota 55101
(651) 539-1600

NEW YORK

(state administrator)

New York State Department of Law Investor Protection Bureau
28 Liberty Street, 21st Floor
New York, NY 10005
(212) 416-8222 Phone
(212) 416-6042 Fax

(agent for service of process)

Attention: Secretary of State of New York
99 Washington Avenue
Albany, NY 12231-0001
(518) 473-2492

NORTH DAKOTA

North Dakota Insurance & Securities Department
600 East Boulevard Avenue, Dept. 401
Bismarck, North Dakota 58505
(701) 328-2910

OREGON

Department of Business Services
Division of Financial Regulation
350 Winter Street, NE, Room 410
Salem, Oregon 97310-3881
(503) 378-4387

RHODE ISLAND

Department of Business Regulation
Division of Securities
John O. Pastore Complex Building 69-1
1511 Pontiac Avenue
Cranston, Rhode Island 02920
(401) 462-9645

SOUTH DAKOTA

Division of Insurance
Securities Regulation
124 S. Euclid, Second Floor
Pierre, South Dakota 57501
(605) 773-3563

VIRGINIA

State Corporation Commission
Division of Securities and Retail Franchising
1300 East Main Street, Ninth Floor
Richmond, Virginia 23219
(804) 371-9051

WASHINGTON

(state administrator)

Washington Department of Financial Institutions
Securities Division
P.O. Box 41200
Olympia, Washington 98504-1200
(360) 902-8760

(agent for service of process)

Director
Department of Financial Institutions
Securities Division
150 Israel Road, S.W.
Tumwater, Washington 98501-6456

WISCONSIN

Securities and Franchise Registration
Wisconsin Department of Financial Institutions
4822 Madison Yards Way, North Tower
Madison, Wisconsin 53705
(608) 266-0448

EXHIBIT B-1

FRANCHISE AGREEMENT

CHA REDEFINE FRANCHISES LLC

FRANCHISE AGREEMENT

Franchisee: ______________________________________

Store Address: ______________________________________

____

____

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Attachments

CHA REDEFINE FRANCHISES LLC
FRANCHISE AGREEMENT

THIS FRANCHISE AGREEMENT (this "**Agreement**") is made and entered into by and between **CHA REDEFINE FRANCHISES LLC**, a California limited liability company with its principal business address at 9083 Las Tunas Drive, Temple City, California 91780 ("**we**"), and ____ ______________________________________, whose principal business address is ______________ ____ ("**you**"), as of the date signed by us and set forth below our signature on this Agreement (the "**Effective Date**").

1. **GRANT OF FRANCHISE**.

A. **BACKGROUND**.

(1) We have developed and will continue to develop a system for the operation of stores offering tea, coffee, matcha, and fruit beverages, bakery items, tea and coffee retail products, and other beverages, products, and accessories authorized by us from time to time (each a "**Cha Redefine Store**"). Cha Redefine Stores are developed and operated using certain specified and distinct business formats, methods, procedures, designs, layouts, standards, and specifications, all of which may be improved, further developed, or otherwise modified from time to time (the "**System**").

(2) We and our affiliates own, use, promote, and license others the right to use and promote certain trademarks, service marks, trade dress, and other commercial symbols and indicia for Cha Redefine Stores, including the "Cha Redefine" trademark, and may create, use, and license other trademarks, service marks, and commercial symbols to identify Cha Redefine Stores and the products and services offered by Cha Redefine Stores in the future (collectively, the "**Marks**").

(3) We grant franchises for Cha Redefine Stores to persons who we determine satisfactorily meet our qualifications, and who confirm their willingness to undertake the investment and effort, to own and operate a Cha Redefine Store using the Marks and the System.

B. **GRANT AND TERM OF FRANCHISE**.

Subject to the terms of this Agreement, we hereby grant you a franchise to develop, own and operate a Cha Redefine Store (your "**Store**") for a term that will begin on the Effective Date and will expire 10 years from your Opening Date (defined in Section 2.C) unless sooner terminated under Section 14 (the "**Term**"). You agree to faithfully, honestly, and diligently perform your obligations under this Agreement and to use your best efforts to promote and operate your Store from and after the Opening Date on a continuous basis for the entirety of the Term.

C. **IF YOU ARE AN ENTITY**.

If you are a corporation, limited liability company, or partnership (each, an "**Entity**"), you represent that you have the authority to execute, deliver, and perform your obligations under this Agreement and all related agreements and are duly organized or formed. You agree to remain validly existing and in good standing under the laws of the state of your formation throughout the Term. You agree to maintain organizational documents, including your operating agreement or partnership agreement, as applicable, that reflect the restrictions on issuance and transfer of any ownership interests in you described in this Agreement, and all certificates and other documents representing ownership interests in you will bear a legend referring to this Agreement's restrictions.

You agree and represent that Attachment A to this Agreement completely and accurately describes all of your owners and their interests in you as of the Effective Date. Each of your owners must execute a guaranty in the form we prescribe undertaking personally to be bound, jointly and severally, by all provisions of this Agreement and any ancillary agreements between you and us. Our current form of guaranty is attached herein as Attachment D. Subject to our rights and your obligations under Section 12, you and your owners agree to sign and deliver to us revised Attachment A to reflect any permitted changes in the information that Attachment A now contains.

You must identify on Attachment A one of your owners who is a natural person with at least 10% ownership interest and voting power in you and who will have authority and signatory power on behalf of you (the "**Managing Owner**"). You must obtain our written consent prior to changing the Managing Owner and agree to deliver to us a revised Attachment A to accurately identify the Managing Owner should the identity of that person change during the Term as permitted hereunder. You agree that the Managing Owner is authorized, on your behalf, to deal with us in respect of all matters whatsoever which may arise in respect of this Agreement. Any decision made by the Managing Owner will be final and binding upon you, and we will be entitled to rely solely upon the decision of the Managing Owner in any such dealings without the necessity of any discussions with any other person, and we will not be held liable for any actions taken by you or otherwise, based upon any decision or actions of the Managing Owner. You represent and agree that the person acting as your Managing Owner has full power and authority to enter into this Agreement and any other documents to which you are a party, and to make binding decisions on your behalf.

D. **PREMISES OF YOUR STORE**.

You may operate your Store only at the specific location identified on Attachment B (the "**Premises**"). If the Premises have not been approved when you sign this Agreement, site selection will be subject to Section 2.A of this Agreement, and we may revise Attachment B to identify the Premises once approved. You agree to use the Premises only for your Store and no other activities or business of any kind without our express approval. You agree not to conduct the business of your Store at any location other than the Premises. You may not conduct any business of your Store from any location other than the Premises except as authorized by us.

E. **PROTECTED TERRITORY**.

Subject to your continued compliance with this Agreement, and the reserved rights described below, during the Term, neither we nor any of our affiliates will establish, operate, or authorize any other person to establish or operate a Cha Redefine Store in the area described in Attachment B (the "**Protected Territory**"). If you have not selected a site for your Store as of the Effective Date, we reserve the right to define or modify your Protected Territory at the time the Premises is identified and approved by us. Other than your Protected Territory, you have no territorial protection and we and our affiliates retain all rights to conduct business activities of any kind, including, the right to:

(1) establish and operate, and allow others to establish and operate, other Cha Redefine Stores using the Marks and the System, at any location outside the Protected Territory, on such terms and conditions we deem appropriate;

(2) establish and operate, and allow others to establish and operate, any other type of business, including any business that may offer products and services which are identical to, similar to, or competitive with products and services offered by Cha Redefine Stores, under trade names, trademarks, service marks and commercial symbols other than the Marks, anywhere in the world, including in the Protected Territory;

(3) establish, and allow others to establish businesses and distribution channels other than a Cha Redefine Store (including, selling products at retail, wholesale, or through any Online Presence, as defined in Section 5.B), wherever located or operating, including in your Protected Territory, regardless of the nature or location of the customers with whom such other businesses and distribution channels do business, including businesses that operate under trade names, trademarks, service marks or commercial symbols that are similar to, the same, or competitive with the Marks, and/or that sell products or services that are similar to, the same, or competitive with, those that Cha Redefine Stores customarily sell;

(4) establish and operate, and allow others to establish and operate, any Cha Redefine Store, or other business using the Marks and/or the System, and/or offering and selling any of the products or services that are similar to, the same, or competitive with those products or services offered by Cha Redefine Stores, at or through any non-traditional venues, including, temporary or seasonal facilities, recreation parks or facilities, or business operated within any larger venue or closed market such as an airport, transportation center, university, stadium or entertainment center, at any location in the world, including in the Protected Territory;

(5) be acquired by or acquire (regardless of the form of transaction(s)), any other business, including businesses that operate or allow others to establish and operate businesses similar to, the same, or competitive with Cha Redefine Stores, at any location in the world, including in the Protected Territory (and in the event of such an acquisition, the acquirer and its affiliates will have the right to continue to establish and operate, and authorize others to establish and operate, such businesses, at any location in the world, including in the Protected Territory); and

(6) engage in all other activities not expressly prohibited by this Agreement, at any location in the world, including in the Protected Territory.

2. **DEVELOPMENT AND OPENING OF YOUR STORE**.

A. **SITE SELECTION**.

If you have not yet located a site for the Premises as of the Effective Date, then you must obtain our approval of a site for your Premises within 90 days of the Effective Date. We must approve the site of your Store before you sign any Lease (defined in Section 2.B below). You agree to send us all of the information we require for the proposed site. We will make all determinations about whether to approve or disapprove a site based on our then-current criteria, which may change periodically. You may not relocate your Store to a location other than the Premises without our prior approval.

You acknowledge and agree that you have the sole responsibility to identify and select an appropriate site for your Store, and any involvement in the site selection process by us or our representatives is for our sole benefit. If we recommend, approve, or give you information regarding a site for the Premises, that is not a representation or warranty of any kind, express or implied, of the site's suitability for a Cha Redefine Store or any other purpose. Our recommendation and/or approval of any site indicates only that we believe that the site meets our then-current minimum criteria which have been established for our own purposes and are not intended to be relied on by you as an indicator of success. You agree that you are not relying on our site approval for your benefit. You further acknowledge that you have been advised to conduct your own independent investigation before selecting any site for our approval. We are not responsible if the site you select for your Store, including a site we recommend or approve, fails to meet your expectations.

B. **LEASE OF PREMISES**.

We must approve the terms of any lease, sublease, or other document to secure occupancy rights for the Premises (the "**Lease**") before you sign it. You must provide us information and documents we require to review the proposed Lease. Our approval may be conditioned, among other things, on the lessor's agreement to include certain provisions we require from time to time to protect our interests. Our current requirements are reflected in our form of lease rider attached as Attachment E. It is your sole responsibility to obtain a fully executed lease rider in our current form, without modification or negotiation, executed by you and the landlord. We may reject any request for modifications to the lease rider for any reason. You must secure occupancy rights to the Premises by the earlier of 90 days from our approval of the site of the Premises, or 180 days from the Effective Date.

You acknowledge and agree that you have the sole responsibility to negotiate and execute your Lease, and any of our involvement in the Lease review and approval is for our sole benefit. You agree that you are not relying on our Lease review and approval for your benefit. You further acknowledge that you have been advised to obtain the advice of your own professional advisors before you sign a Lease. If you do not agree with the Lease provisions that we have approved, you may elect not to sign the Lease, but you would have to find another suitable site for the Premises and secure its possession by signing a Lease we have approved for such site. You must deliver an executed copy of your Lease and lease addendum to us within 10 days after execution.

C. **DEVELOPMENT OF YOUR STORE**.

We will provide you our then-current prototypical plans showing the standard layout and specifications for a Cha Redefine Store in our Brand Manual. You agree at your expense to do all things necessary to develop and prepare your Store for opening in accordance with this Agreement and our System Standards (defined in Section 4.E) including that you must:

(1) obtain and submit to us for approval detailed construction plans and specifications and space plans for your Store that comply with any design specifications or prototypical plans provided by us and all applicable ordinances, building codes, permit requirements, and lease requirements and restrictions, including those arising under the Americans with Disabilities Act or similar rules governing public accommodations for persons with disabilities, other applicable ordinances, building codes, permit requirements, and lease requirements and restrictions;

(2) obtain all required zoning changes, planning consents, building, utility, sign and business permits and licenses, and any other consents, permits and licenses necessary to lawfully open and operate your Store;

(3) construct all required improvements in compliance with construction plans and specifications approved by us;

(4) obtain and install the operating assets we designate from time to time as meeting our System Standards for quality, design, appearance, function, and performance, including: (i) the Technology Systems (as defined in Section 8.J); and (ii) all other fixtures, furniture, equipment, furnishings, and signage and other assets we specify as meeting our System Standards;

(5) obtain all initial inventory and supplies we designate, in quantities sufficient to operate your Store in accordance with our System Standards;

(6) obtain all customary contractors' sworn statements and partial and final waivers of lien for construction, remodeling, decorating and installation services;

(7) obtain all certificates of insurance to demonstrate to us your compliance with our insurance requirements; and

(8) satisfy all of your pre-opening requirements under this Agreement, including payment of fees and satisfaction of all training obligations.

You must satisfy all of our System Standards for developing and opening your Store and open your Store for business by the earlier of: (i) 180 days after you sign the Lease, or (ii) the first anniversary of the Effective Date. We must approve the date that you open your Store for business (the "**Opening Date**") and you will not open your Store without our express approval. We will execute Attachment C attached hereto to approve your Opening Date for the purposes of this Agreement; provided, that any failure by us to do so is not a violation of this Agreement by us, but rather a ministerial matter that we may correct at any time.

3. **FEES**.

A. **INITIAL FRANCHISE FEE**.

You must pay us an initial franchisee fee of $30,000 in a lump sum when you sign this Agreement. The initial franchise fee is non-refundable and is due, and fully earned by us, when you sign this Agreement.

B. **ROYALTY FEE**.

You agree to pay us a monthly royalty fee (the "**Royalty**") equal to five percent (5%) of your Store's Gross Sales (defined in Section 3.C below) collected during the immediately preceding month.

C. **DEFINITION OF "GROSS SALES"**.

As used in this Agreement, the term "**Gross Sales**" means all revenue that you derive from operating your Store, whether from cash, check, vouchers, tickets, or other comparable forms of payment, credit and debit card, barter exchange, trade credit, or other credit transactions, but excluding all federal, state, or municipal sales, use, or service taxes collected from customers and paid to the appropriate taxing authority. If we authorize or require participation in online group-bought deals, gift certificate or gift card programs, or other similar programs, the payments you receive for those online group-bought deals, gift certificates or gift cards will be included in Gross Sales in accordance with our then-current guidelines for calculating Gross Sales, which may be modified from time to time. Gross Sales also include all insurance proceeds you receive for loss of business and loss of revenue, due to a casualty to or similar event at your Store.

D. **TECHNOLOGY FEE**.

We may require you to pay a technology fee to us at the intervals and in the amount we specify (the "**Technology Fee**"). We may modify the Technology Fee from time to time, provided that the Technology Fee does not increase by more than $100 per month in any calendar year on a compounding basis. The Technology Fee is in addition to all direct out-of-pocket costs you must otherwise incur under the terms of this Agreement or the Brand Manual to acquire, maintain, or service your Technology Systems. You must pay the Technology Fee at the times and in the manner we designate. If you fail to pay your Technology Fee when due, you understand that in addition to our other remedies, we may de-activate, suspend, or terminate you and your personnel's access to any or all technology products, services, benefits, or support (and, if applicable, such deactivation, suspension, or termination will not be deemed a breach of this Agreement by us).

E. **INTEREST ON LATE PAYMENTS**.

All amounts which you owe us for any reason will bear interest accruing as of their due dates at the lesser of 1.5% per month or the highest commercial contract interest rate allowed by law. We will charge you the lesser of our then-current service fee, or the highest amount permitted by applicable law, per occurrence, for checks returned to us due to insufficient funds or in the event there are insufficient funds in the business account you designate to cover our withdrawals. The interest on late payments is in addition to and not an estimate of any other damages arising from your breach of the Agreement and is not a waiver of any kind of our right to seek additional remedies arising from your default. Without limiting the foregoing, you agree that paying interest will not cure any default under this Agreement for failure to pay any amount to us when due.

F. **APPLICATION OF PAYMENTS**.

Despite any designation you make, we may apply any of your payments to any of your past-due indebtedness to us. We and our affiliates may set off any amounts you or your owners owe us or our affiliates against any amounts we or our affiliates owe you or your owners.

G. **METHOD OF PAYMENT**.

You must make all payments due under this Agreement in the manner we designate from time to time. We may also direct you to make some or all of the payments under this Agreement to our designee or affiliate. You authorize us to debit your checking, savings, or other account automatically for all amounts due to us or our affiliates (the "**EFT Authorization**"). You agree to sign and deliver to us any documents we require for such EFT Authorization. Such EFT Authorization shall remain in full force and effect during the Term. We will debit the account you designate for these amounts on their due dates (or the subsequent business day if the due date is a national holiday or a weekend day). You agree to ensure that funds are available in your designated account to cover our withdrawals. If the amounts that we debit from your account are greater than the amounts you actually owe us, we will credit the excess against the amounts we otherwise would debit from your business account on the next payment due date. We may change the timing, frequency, and intervals of any payments from time to time, but with no less than 30 days' prior written notice to you. All amounts payable by you or your owners to us or our affiliates must be in United States Dollars ($USD).

If (1) you fail to report Gross Sales, (2) we cease to have access to your Technology Systems, or (3) your Store is closed without our authorization for any period of time, then for any fees under this Agreement which are calculated based on Gross Sales, we may debit your account for 110% of the average Gross Sales for the last three months of operations of your Store. If the amounts that we debit from your account on the basis of any understatement are less than the amounts you actually owe us once we have determined the true and correct Gross Sales, we will debit your account for the balance on the day we specify. If the amounts that we debit from your account on the basis of any understatement are greater than the amounts you actually owe us, we will credit the excess against the amounts we otherwise would debit from your account during the following period.

4. <u>**TRAINING AND ASSISTANCE**</u>.

A. <u>**INITIAL AND ONGOING TRAINING**</u>.

Prior to your Opening Date, you (or if you are conducting business as an Entity, your Managing Owner) and two other management-level personnel we approve (one of which must be your Store Manager, if applicable) (together, the "**Mandatory Trainees**") must complete an initial training program conducted by us on the material aspects of operating a Cha Redefine Store (the "**Initial Training Program**") to our satisfaction. We will control the substance and duration of our Initial Training Program, which will be held at a location and in a format of our choice, which may be virtual. We may vary the contents or duration of the Initial Training Program based on the experience, role, responsibilities of your attendees and other factors we determine. We will also determine the timing, dates, and schedule of the Initial Training Program. If we determine that the Mandatory Trainees cannot complete the Initial Training Program to our satisfaction, we may terminate this Agreement.

You may invite additional attendees to the Initial Training Program, if space allows, subject to our approval, and subject to all attendees participating at once. We may deny any request for additional attendees in the Initial Training Program, and/or to repeat any portion of the Initial Training Program, for any reason that we determine (including any Mandatory Trainees that may have completed the Initial Training Program in connection with your development of a previous Cha Redefine Store). If the Mandatory Trainees complete our Initial Training Program to our satisfaction, and do not expressly and promptly request additional training after completion of the Initial Training Program, then you and they will be deemed to have been trained sufficiently to operate a Cha Redefine Store.

We may require that your Mandatory Trainees attend and satisfactorily complete various training courses that we periodically choose to provide at the times and locations that we designate, including courses and programs provided by third-parties we designate. In addition to the Initial Training Program, we may require you (or if you are conducting business as an Entity, your Managing Owner) and/or your Store Manager(s) (if applicable) to attend an annual meeting of all Cha Redefine Store franchise owners at a location we designate, if we host such a conference (which we are not obligated to do), which may be virtual. If you engage any new Store Manager(s) during the Term, such person(s) must satisfactorily complete our then-current Initial Training Program. Additionally, if we at any time and from time to time determine that you are not operating your Store in compliance with our System Standards, we may require additional training for your Mandatory Trainees.

You must pay our then-current training fee if: (i) you request and we approve additional attendees in the Initial Training Program other than your initial Mandatory Trainees, (ii) you request and we approve attendance in the Initial Training Program for any Mandatory Trainees that have previously completed the Initial Training Program (including any Mandatory Trainees that may have completed the Initial Training Program in connection with your development of a previous Cha Redefine Store); (iii) we provide any portion of the Initial Training Program more than once to accommodate your attendees; (iv) if you request, and we provide, any portion of the Initial Training Program on-site at your Store; (v) we require you or your Mandatory Trainees to attend additional training because your Store is not being operated in compliance with our System Standards; (vi) we provide the Initial Training Program to any new or additional Store Manager(s) and/or Managing Owner during the Term; and/or (vii) if you request, and we agree to provide any additional or special guidance, assistance or training.

You agree to pay all travel, living, and other personnel costs and expenses (including wages, transportation, food, lodging, and workers' compensation insurance) that you and your Mandatory Trainees or any other employee incurs during any and all meetings and/or training programs. If any portion of the Initial Training Program is provided on-site at your Store, which we will determine, you must also reimburse the out-of-pocket costs and expenses we incur in sending our trainer(s) to your Store, including travel, food, accommodations, and living expenses.

B. **PERSONNEL TRAINING**.

You have the ultimate and exclusive responsibility for ensuring that all of your employees and personnel are appropriately trained to operate your Store in accordance with this Agreement and our System Standards, regardless of any training or support that we provide. We may periodically establish certain minimum requirements for your employee training programs; however, you understand that these minimum requirements are solely intended to protect our System and the goodwill of the Marks.

C. **ON-SITE OPENING SUPPORT**.

If you are developing your first Cha Redefine Store, we will send one or more of our representatives to your Store to assist you with your Store's grand opening. We will determine the identity and quantity of the representative(s) we send to your Store and the schedule for all such on-site opening support in our discretion (which may be before and/or after your Opening Date). You must reimburse all of our and our representatives' out-of-pocket costs for providing on-site opening support to you, including travel, food, accommodations, and living expenses. If you are developing your second or subsequent Cha Redefine Store, we are not required to provide you with any on-site opening support. However, if you request such support or we determine that you need such support to bring your Store into compliance with System Standards, you must pay our then-current training fee for any on-site opening support we provide you, plus reimbursement of the travel and living expenses and out-of-pocket costs we incur.

D. **OTHER GENERAL GUIDANCE**.

Subject to limitations on scheduling, availability, and similar resources, we will advise you from time to time regarding the operation of your Store, including: (1) System Standards and other suggested standards, specifications and operating procedures and methods that Cha Redefine Stores use; (2) required, recommended, and/or approved vendors, products, and services; and (3) advertising and marketing materials and programs. We may provide guidance on the telephone, virtually, or at our offices. If you request and we agree to provide additional or special guidance, assistance, or training, we may charge you our then-current fee, and you must reimburse all of our and our representatives' out-of-pocket costs for providing such guidance, assistance or training, including travel, food, accommodations, and living expenses. Any specific ongoing training or advice we provide does not create an obligation (whether by course of dealing or otherwise) to continue to provide such specific training or advice, all of which we may discontinue and modify from time to time.

Notwithstanding any provision in this Agreement to the contrary (including our obligations related to operations support, inspections, training or otherwise), we will not be required to send any of our personnel and/or representatives to your Store to provide any services in person if, in our sole determination, it is unsafe to do so. Such determination by us will not relieve you from your obligations under this Agreement and will not constitute a default of this Agreement by us. We may also, at any time, for any reason, elect to conduct any or all support, inspections, training, or other services virtually, and you agree to comply with our instructions for all virtual programs.

E. **BRAND MANUAL**.

We will make the brand manual for the operation of Cha Redefine Stores available to you during the Term (the "**Brand Manual**"), which may include one or more separate manuals, newsletters, memos, or bulletins, as well any audio or video content, and/or other content available through or distributed by any Online Presence or other electronic or digital means. The Brand Manual contains mandatory specifications, standards, operating procedures, and rules that we periodically prescribe for operating Cha Redefine Stores ("**System Standards**"), other specifications, standards, and policies we may suggest from time to time, and information on your obligations under this Agreement. We may modify the Brand Manual periodically to reflect changes in System Standards.

If we make any portion of the Brand Manual available on any Online Presence, you agree to monitor and access that Online Presence for any updates to the Brand Manual. You agree that the Brand Manual and any passwords or other access credentials necessary to access the Brand Manual on any Online Presence will be deemed to be part of Confidential Information (as defined in Section 6.A). We have no obligation to provide you a printed copy of the Brand Manual.

F. **DELEGATION OF PERFORMANCE**.

We have the right to delegate the performance of any portion or all of our obligations under this Agreement to third-party designees, whether these designees are our agents or independent contractors with whom we have contracted to perform these obligations.

5. **INTELLECTUAL PROPERTY**.

A. **OWNERSHIP AND GOODWILL**.

You acknowledge and agree that the Marks and the System are owned by us and/or our affiliates. You acknowledge and agree that your use of the Marks and the System and any goodwill established by that use are exclusively for our and our affiliates' (as applicable) benefit. This Agreement does not confer any goodwill or other interests in the Marks or the System upon you (other than the right to operate your Store under this Agreement). Your unauthorized use of the Marks and the System would be a breach of this Agreement and an infringement on the intellectual property rights of us and our affiliates (as applicable). Your unauthorized use of the Marks and the System will cause us and our affiliates (as applicable) irreparable harm for which there is no adequate remedy at law and will entitle us and our affiliates (as applicable) to injunctive relief. All provisions of this Agreement relating to the Marks and the System apply to any additional or modified components of the Marks and the System we authorize you to use.

You may not at any time during or after the Term contest or assist any other person in contesting the validity of any registration for the Marks or the System, and/or our and our affiliates' (as applicable) rights to the Marks and the System.

B. **USE OF MARKS AND SYSTEM**.

You are hereby granted a limited, non-exclusive license to use the Marks and the System, during the Term, strictly to operate your Store in compliance with the terms of this Agreement and our System Standards. You have no right to sublicense or assign your right to use the Marks and the System. You agree to use and display the Marks in the style and graphic manner we describe in the Brand Manual. You may not use any other trademarks, service marks, commercial symbols, other than the Marks, to identify or operate your Store. You may not use any Mark: (1) as part of any corporate or legal business name; (2) with any unauthorized prefix, suffix, or other modifying words, terms, designs, or symbols; (3) in selling any unauthorized services or products; (4) as part of any website, domain name, email address, social media account, user name, other online presence or presence on any electronic, virtual, or digital medium of any kind ("**Online Presence**"), except in accordance with our guidelines set forth in the Brand Manual; or (5) in any other manner that we have not expressly authorized in writing. You may not use any Mark in advertising the transfer, sale, or other disposition of your Store or an ownership interest in you without our prior written consent. You agree to display the Marks prominently as we prescribe at your Store and on forms, advertisements, supplies, and other materials we designate. You agree to give the notices of trade and service mark registrations that we specify and to obtain any fictitious or assumed name registrations required under applicable law. You agree, during and after the Term, not to directly or indirectly, appropriate, use, or duplicate the System or System Standards, or any portion thereof, for use in any other business or endeavor.

C. **NOTIFICATION OF INFRINGEMENTS AND CLAIMS**.

You agree to notify us immediately of any apparent infringement or challenge to your use of the Marks or the System, or of any person's claim of any rights in the Marks or the System, and not to communicate with any person other than us, our affiliates and our and their attorneys, and your attorneys, regarding any infringement, challenge, or claim. We and our affiliates may take the action we or they deem appropriate (including no action) and control exclusively any litigation or other legal or administrative proceeding arising from any infringement, challenge, or claim or otherwise concerning the Marks or the System. You agree to sign any documents and take any other action that, in the opinion of our and our affiliates' attorneys, are necessary or advisable to protect and maintain our and our affiliates' (as applicable) interests in the Marks and the System. You acknowledge and understand that neither we nor our affiliates will have any obligation to defend the Marks or the System from valid claims of prior use or of lawful concurrent use by others.

If we are unable for any reason, after reasonable effort, to secure your signature on any document needed in connection with the actions specified in this Section, you hereby irrevocably designate and appoint us and our duly authorized officers and agents as your agent and attorney in fact, which appointment is coupled with an interest and is irrevocable, to act for and on your behalf to execute, verify, and file any such documents and to do all other lawfully permitted acts to further the purposes of this Section with the same legal force and effect as if executed by you.

D. **CHANGES TO MARKS AND SYSTEM**.

You understand that the Marks and the System may evolve over time, including after you sign this Agreement. If we decide to modify, substitute, add or discontinue the use of any Marks or the System, you agree to make such modifications and updates as we specify and to comply with all other directions we give regarding the use of the Marks and the System in connection with your Store within a reasonable time after receiving notice from us. We are not required to reimburse you for any costs or expenses associated with making such changes, promoting a modified or substitute Mark, or for any loss of revenue due to any modified to the Marks or System.

E. **INDEMNIFICATION FOR USE OF MARKS.**

We agree to reimburse you for all costs and expenses that you incur in defending against any trademark infringement proceeding disputing your authorized use of any Mark under this Agreement, if you have timely notified us of the proceeding, and complied with our directions in responding to it and are otherwise in compliance with the terms and conditions of this Agreement. At our option, we and/or our affiliates may defend and control the defense of any proceeding arising from your use of any Mark under this Agreement. If we or our affiliates choose to control the defense of any such proceeding, such person may choose its own legal counsel and other similar representatives, and it will not be liable to you or any of your affiliates or representatives for any costs or expenses incurred on the basis of any additional or separate legal counsel or similar representatives you or they retain.

6. **PROPRIETARY INFORMATION**.

A. **CONFIDENTIALITY**.

In connection with your Store, you and your owners and personnel may from time to time be provided and/or have access to non-public information about the System and operation of Cha Redefine Stores, including your Store (the "**Confidential Information**"), including: (1) site selection criteria, market or demographic research, and/or other real estate reports; (2) training and operations materials and manuals, including the Brand Manual; (3) the System Standards and other methods, formats, specifications, standards, systems, procedures, techniques, sales and marketing techniques, knowledge, and experience used in developing, promoting and operating Cha Redefine Stores; (4) recipes, ingredient lists, nutrition facts, methods of preparation, and other information about products and menu items, including the existence or specifications of any seasonal or other unreleased products and menu items; (5) market research, promotional, marketing and advertising programs for Cha Redefine Stores; (6) identity and specifications for vendors, products, services and supplies; (7) any software or technology which is proprietary to the System, including any login credentials, source code, data, reports, and other materials generated by such technology; (8) knowledge of the operating results and financial performance of any Cha Redefine Store(s), including your Store; (9) customer data, including names, addresses, telephone numbers, email addresses, buying habits, purchase history, preferences, demographic information and related information, opt-in/opt-out preferences and information regarding the exercise of any other privacy rights; (10) any other data, materials and/or information that is created by, stored in, and/or derived from your Technology Systems in connection with your Store; and (11) any other information designated as confidential or proprietary by us or our affiliates.

All Confidential Information will be owned by us or our affiliates (other than Restricted Data, as defined in Section 8.K). You acknowledge and agree that: (i) you will not acquire any interest in any of our Confidential Information, other than the right to use it as we specify in operating your Store during the Term; and (ii) our Confidential Information is proprietary, includes our trade secrets, and is disclosed to you only on the condition that you will protect it. You acknowledge that any unauthorized use or disclosure of our Confidential Information would be an unfair method of competition and a breach of trust and confidence and will result in irreparable harm to us and/or our affiliates. You and your owners agree to (and to use each of your best efforts to cause each of your respective current and former spouses, immediate family members, owners, officers, directors, employees, representatives, affiliates, successors and assigns to):

(a) process, retain, use, collect, and disclose our Confidential Information strictly to the limited extent, and in such a manner, as necessary for the development and operation of your Store in accordance with this Agreement, and not for any other purpose of any kind;

(b) process, retain, use, collect, and disclose our Confidential Information strictly in accordance with the privacy policies and System Standards we establish from time to time, and our and our representative's instructions;

(c) keep confidential and not disclose, sell, distribute, or trade our Confidential Information to any person other than those of your employees and representatives who need to know such Confidential Information for the purpose of assisting you in operating your Store in accordance with this Agreement; and you agree that you will be responsible for any violation of this requirement by any person to whom you provide Confidential Information;

(d) not make unauthorized copies of any of our Confidential Information;

(e) adopt and maintain administrative, physical and technical safeguards to prevent unauthorized use or disclosure of any of our Confidential Information, including by establishing reasonable security and access measures, restricting its disclosure to key personnel, and/or by requiring persons who have access to such Confidential Information to be bound by contractual obligations to protect such Confidential Information and preserve our rights and controls in such Confidential Information, in each case that are no less protective or beneficial to us than the terms of this Agreement; and

(f) at our request, destroy or return any of the Confidential Information.

Confidential Information does not include information, knowledge, or know-how, which is lawfully known to the public without violation of applicable law or an obligation to us or our affiliates.

We and our affiliates are not making any representations or warranties, express or implied, with respect to the Confidential Information. We and our affiliates have no liability to you and your affiliates for any errors or omissions from or within any Confidential Information.

B. **INNOVATIONS**.

All improvements, developments, derivative works, feedback, enhancements, or modifications to the System and any Confidential Information (collectively, "**Innovations**") made or created by you, your employees or your representatives, whether developed separately or in conjunction with us, shall be owned solely by us and will in no event be owned by you or your affiliates. You represent, warrant, and covenant that your employees and representatives are bound by written agreements assigning all rights in and to any Innovations developed or created by them to you. To the extent that you, your employees or your representatives are deemed to have any interest in such Innovations, you hereby agree to assign, and do assign, all right, title and interest in and to such Innovations to us and agree to obtain the same from your personnel and representatives. To that end, you agree to execute, verify, and deliver such documents and perform such other acts (including appearances as a witness) as we may reasonably request for use in applying for, obtaining, perfecting, evidencing, sustaining, and enforcing such ownership rights in and to the Innovations, and the assignment thereof. Your obligation to assist us with respect to such ownership rights shall continue beyond the expiration or termination of this Agreement. If we are unable for any reason, after reasonable effort, to secure your signature on any document needed in connection with the actions specified in this Section, you hereby irrevocably designate and appoint us and our duly authorized officers and agents as your agent and attorney in fact, which appointment is coupled with an interest and is irrevocable, to act for and on your behalf to execute, verify, and file any such documents and to do all other lawfully permitted acts to further the purposes of this Section with the same legal force and effect as if executed by you.

7. **RESTRICTIVE COVENANTS**.

A. **NON-COMPETITION DURING TERM**.

We have granted you the rights in this Agreement in consideration of and reliance upon your agreement to deal exclusively with us. You therefore agree that, during the Term, you and your owners agree not to (and to use each of your best efforts to cause each of your respective current and former spouses, immediate family members, owners, officers, directors, representatives, affiliates, successors and assigns not to):

(1) have any direct or indirect interest as an owner – whether of record, beneficially, or otherwise – in a Competitive Business (defined below), wherever located or operating (except that equity ownership of less than 5% of a Competitive Business whose stock or other forms of ownership interest are publicly traded on a recognized United States stock exchange will not be deemed to violate this subparagraph);

(2) perform services as a director, officer, manager, employee, consultant, representative, or agent for a Competitive Business, wherever located or operating; or

(3) divert or attempt to divert any actual or potential business or customer of any Cha Redefine Store to a Competitive Business.

The term "**Competitive Business**" means any business (excluding any Cha Redefine Store operated under a franchise agreement) operating or granting franchises or licenses to others to operate any business: (i) for which tea, coffee, matcha, and fruit beverages, bakery items, tea and coffee retail products and/or similar products represent more than 20% of the total gross revenue; or (ii) whose menu or concept is otherwise substantially similar to that of Cha Redefine Stores.

B. **NON-INTERFERENCE**.

During and after the Term, you and your owners agree not to (and to use each of your best efforts to cause each of your respective current and former spouses, immediate family members, owners, officers, directors, employees, representatives, affiliates, successors and assigns not to) solicit, interfere, or attempt to interfere with our or our affiliates' relationships with any customers, franchisees, lenders, vendors, or consultants.

C. **NON-DISPARAGEMENT**.

During and after the Term, you and your owners agree not to (and to use each of your best efforts to cause each of your respective current and former spouses, immediate family members, owners, officers, directors, employees, representatives, affiliates, successors and assigns not to): (1) disparage or otherwise speak or write negatively, directly or indirectly, of us, our affiliates, any of our or our affiliates' directors, officers, employees, representatives or affiliates, current and former franchisees of us or our affiliates, the Cha Redefine® brand, the System, any Cha Redefine Store, any business using the Marks, or any other brand concept operated or franchised by us or our affiliates; or (2) take any other action which would, directly or indirectly, subject any of the foregoing to ridicule, scandal, reproach, scorn, or indignity, or which would negatively impact or injure the goodwill of the System or the Marks.

8. **OPERATION OF YOUR STORE**.

A. **SYSTEM STANDARDS**.

You agree at all times to operate and maintain your Store according to each and every System Standard, as we periodically modify and supplement them. Though we retain the right to establish and periodically modify System Standards, you retain the sole responsibility for the day-to-day management and operation of your Store and the implementation and maintenance of System Standards at your Store. System Standards may regulate any aspect of the operation and maintenance of your Store, including any one or more of the following:

(1) amounts and types of fixtures, furniture, equipment, components of the Technology Systems, furnishings, signs, and other operating assets, inventory, products, materials, and services used by Cha Redefine Stores that you must purchase, install, use, and/or maintain;

(2) sales, marketing, advertising, and promotional campaigns, including prize contests, special offers and other national, regional or location marketing programs, and materials and media used in these programs;

(3) minimum staffing levels, qualifications, training, uniforms, and appearance (although you have sole responsibility and authority concerning all other matters relating to employee and personnel, including hiring and promotion, hours worked, rates of pay and other benefits, work assigned, the manner of performing work, and working conditions);

(4) use and display of the Marks;

(5) days and hours of operation;

(6) accepting credit and debit cards, other payment systems, currencies, and check verification services;

(7) participation in market research and testing and product and service development programs;

(8) issuing and honoring gift cards, gift certificates and similar items, and participating in loyalty programs;

(9) menus, including product offerings, recipes, appearance, and nutrition, allergen, and similar information;

(10) bookkeeping, accounting, data processing, reporting, and recordkeeping systems and forms;

(11) participation in quality assurance and customer satisfaction programs;

(12) policies for the registration, use, content, and/or management of Online Presences or other technology systems, solutions, or products;

(13) use of any third-party food delivery, online ordering, or other order management or fulfillment services;

(14) types, amounts, terms, and conditions of insurance coverage required for your Store, including criteria for your insurance carriers; and

(15) any other aspects of operating and maintaining your Store that we determine to be useful to preserve or enhance the efficient operation, image or goodwill of the Marks and Cha Redefine Stores.

You understand that the System will continue to evolve during the Term and the System Standards may change periodically. These modifications may obligate you to invest additional capital in your Store and/or incur higher operating costs. You agree to implement any changes to your Store in accordance with our System Standards within the time period we request, including by purchasing any additional or modified equipment, inventory, or other products or supplies, using or ceasing use of alternative vendors, making changes to signage and advertising materials, offering additional or modified products or services, changing marketing or business strategies, and/or updating the Technology Systems.

You acknowledge and agree that complete and detailed uniformity might not be possible or practical under varying conditions, and that we specifically reserve the right to vary System Standards for any franchise owner based on the peculiarities of any condition that we consider important to that franchise owner's successful operation or preserving the goodwill of the System and Marks. We may choose not to authorize similar variations or accommodations to you or other franchise owners. Additionally, variations or accommodations we grant you for one Cha Redefine Store are not automatically authorized for other Cha Redefine Stores owned by you.

B. **CONDITION OF YOUR STORE**.

You agree to maintain the condition and appearance of your Store and the Premises, and all equipment, signage, furniture, fixtures, and other operating assets at your Store or the Premises, to meet the highest standards of professionalism, cleanliness, sanitation, efficient, courteous service, and pleasant ambiance. Without limiting the foregoing, you agree to take the following actions during the

Term at your expense: (1) cleaning, repainting and redecorating of the interior and exterior of the Premises; (2) interior and exterior repair of the Premises; and (3) repair or replacement of damaged, worn-out or obsolete equipment, signage, furniture, fixtures, and other operating assets at intervals that we may prescribe (or, if we do not prescribe an interval, as such items needs to be repaired or replaced). You understand that we may periodically require you to renovate, refurbish, remodel, or replace, at your own expense, the real and personal property and equipment used in operating your Store, and/or make one or more additional and/or material improvements to your Store, when reasonably required by us to comply with our System Standards.

C. **PRODUCTS AND SERVICES YOUR STORE OFFERS**.

You agree that you will: (1) offer and sell from your Store all of the products and services that we periodically specify; (2) not offer or sell at your Store, the Premises, or any other location any products or services we have not authorized using our Marks or System; and (3) discontinue selling and offering for sale any products or services that we at any time disapprove. You will offer for sale and sell at your Store authorized products and services only in the manner (including, days and hours of operation) and at the locations we have prescribed, including that you will not sell any products or services wholesale or through alternative channels of distribution without our express approval. We may modify the products and services you are authorized or required to offer and sell at your Store at any time and from time to time, and/or to set System Standards for such products or services.

We may authorize one or more Cha Redefine Stores to offer additional, different, or modified attractions, products, or services, and we are under no obligation to authorize every Cha Redefine Store to offer the same products or services. We may condition our approval for any such products or services on our then-current criteria, and/or additional terms and conditions that we establish. If we at any time (including after our initial approval) determine that you fail to meet our System Standards for offering or selling any products or services, we may permanently or temporarily terminate your right to offer or sell such products or services; provided, that nothing contained herein will be deemed a waiver of our right to terminate pursuant to Section 14.C.

If we at any time require or permit you to offer delivery, catering and/or any other off-site products or services, we reserve the right to limit the geographic area in which you may offer such services, and we may modify that geographic area from time to time, in our sole discretion.

D. **MANAGEMENT OF YOUR STORE**.

You are solely responsible for the management, direction and control of your Store. You (or if you are conducting business as an Entity, your Managing Owner) must supervise the management and day-to-day operation of your Store and continuously exert best efforts to promote and enhance your Store. If you (or your Managing Owner) do not wish to manage the day-to-day operation of your Store on a full-time basis, you must obtain our approval of any person that you wish to engage to supervise the management of your Store (each a "**Store Manager**"). We may establish conditions for approving any such Store Manager in our discretion, which may include completion of training, confirmation that such Store Manager has no involvement with any Competitive Business(es), and/or execution of a non-disclosure agreement and/or other covenants we require. Each Store Manager must complete the Initial Training Program to our satisfaction before providing services at your Store.

During any period in which no Store Manager is approved (including because the Store Manager resigns or otherwise indicates to us or you that he or she wishes to cease acting as your Store

Manager, or we disapprove of your Store Manager for any reason), you (or if you are conducting business as an Entity, your Managing Owner) must supervise the day-to-day operations of your Store. Your Store must always be under the direct on-site and full-time supervision of one or more persons who we have approved and have completed the Initial Training Program to our satisfaction.

You must ensure that your Store Manager(s) and any other officer and/or management-level employee that has access to Confidential Information has signed a confidentiality and non-competition agreement in the form we prescribe. Our current form of confidentiality and non-competition agreement is attached herein as Attachment F. It is your responsibility to ensure that such confidentiality and non-competition agreement complies with and is enforceable under applicable laws in your jurisdiction. If you believe that any modifications are required to the confidentiality and non-competition agreement for your Store or jurisdiction, you must notify us of such proposed changes and obtain our approval before incorporating any such edits into the confidentiality and non-competition agreement. Our approval is not a representation and warranty of any kind and only indicates that such confidentiality and non-competition agreement satisfies our minimum criteria.

E. **APPROVED VENDORS**.

We may designate, approve, or develop System Standards for manufacturers, distributors and suppliers of products and services to your Store (collectively, "**vendors**"), which may be us and/or our affiliates. You must purchase the products and services we periodically designate only from the vendors we prescribe or approve, as applicable, and only on the terms and according to the specifications we approve. We may also designate a single vendor for any product or service, , or approve a vendor only for certain products, which may be us or our affiliates.

We may concentrate purchases with one or more vendors for any reason, including to obtain lower prices, advertising support and/or services for us, our affiliates, or any group of Cha Redefine Stores that we designate. You acknowledge and agree that we and/or our affiliates may derive consideration, revenue and profits based on your purchases (including from charging you for products and services we or our affiliates provide to you, and from promotional allowances, rebates, volume discounts and other payments, services or consideration we receive from vendors on the basis of sales to you or other franchise owners). We and/or any of our affiliates may retain and use such consideration, revenue, and profit without restriction.

If you would like us to consider approving a vendor that is not an approved vendor, you must submit your request in writing before purchasing any items or services from that vendor. We will make all determinations about whether to approve an alternative vendor in our sole discretion based on our then-current criteria, which may change from time to time. We may also refuse to consider and/or approve any proposed alternative vendor for any reason whatsoever. If you ask us to evaluate any proposed alternative vendors, and we elect to do so, you must reimburse our costs and expenses for such evaluation. We may, with or without cause, revoke our approval of any vendor at any time.

We reserve the right to enter into contracts or other arrangements with vendor(s) to your Store on an enterprise or system-wide basis, or otherwise on behalf of one or more Cha Redefine Stores. If we enter into any such contracts or other arrangements, we reserve the right to pay the costs associated with your Store and invoice you for those associated costs. You must pay all invoices and/or otherwise reimburse us the costs we incur from such suppliers upon demand.

F. **COMPLIANCE WITH LAWS AND GOOD BUSINESS PRACTICES**.

You must secure and maintain in force throughout the Term all required licenses, permits and certificates relating to the operation of your Store and operate your Store in full compliance with all applicable laws, ordinances, and regulations, including food and safety laws, construction and accessibility laws, and data protection and PCI compliance standards. You are solely responsible for ascertaining what actions must be taken by you to comply with all such laws, orders, or regulations, and specifically acknowledge and agree that your indemnification responsibilities under Section 16.D apply to any claims alleging that you or your Store have violated any such laws, orders, or regulations.

You agree to comply and assist us in our compliance efforts, as applicable, with any and all laws and regulations. Without limiting the foregoing, you agree to comply with our website privacy policy, as it may be amended periodically. You further agree to comply with any requests to return or delete customer's personal information, whether requested by us or directly by the customer, as required by applicable data sharing and privacy laws.

Your Store must adhere to the highest standards of honesty, integrity, fair dealing, and ethical conduct in all dealings with customers, suppliers, us, and the public. Promptly upon receipt, you agree to provide us a copy of any and all notices you receive from any person, entity or governmental authority claiming that you (or your affiliates or representatives) have violated any laws, regulations, permits, licenses, agreements or other committed any other breach, default or violation in connection with your Store, including any default notices from any landlord or supplier, any violation notices from a health or safety regulatory board, and any customer complaints alleging violations of law, or which may otherwise adversely affect your operation or financial condition or that of your Store.

G. **INSURANCE**.

During the Term you must maintain in force at your sole expense the types and amounts of insurance that we require and that comply with the terms of your Lease. We reserve the right to require that you obtain all or a portion of your insurance policies from a designated vendor and on the terms and according to the specifications we approve. The liability insurance must cover claims for bodily and personal injury, death, and property damage caused by or occurring in connection with your Store's operation or activities of your personnel in the course of their employment. All of these policies must contain the minimum coverage we prescribe from time to time and must have deductibles not to exceed the amounts we specify. We may periodically increase the amounts of coverage required under these insurance policies and/or require different or additional insurance coverages (including reasonable excess liability insurance) at any time. These insurance policies must be purchased from licensed insurers having a rating of "A/VIII" or higher by the then-current edition of Best Insurance Reports published by A.M. Best Company (or other similar publication or criteria we designate).

Each insurance policy for liability coverage must name us and any of our affiliates or other designees that we specify as additional named insureds, using a form of endorsement that we have approved, and provide for 30 days' prior written notice to us of a policy's material modification, cancellation, or expiration. Each insurance policy must contain a waiver of all subrogation rights against us and any of our affiliates or other designees that we specify. You must routinely furnish us copies of your Certificates of Insurance or other evidence of your maintaining this insurance coverage and paying premiums. If you fail or refuse to obtain and maintain the insurance we specify, in addition to our other remedies including termination, we may (but are not required to) obtain such insurance for you and your Store on your behalf, in which event you agree to cooperate with us and reimburse us on demand for all premiums, costs and expenses we incur in obtaining and maintaining the insurance.

Our requirements for minimum insurance coverage are not representations or warranties of any kind that such coverage is sufficient for your Store's operations. Such requirements represent only the minimum coverage that we deem acceptable to protect our interests. It is your sole responsibility to obtain insurance coverage for your Store that you deem appropriate, based on your own independent investigation. We are not responsible if you sustain losses that exceed your insurance coverage under any circumstances.

H. **PRICING**.

Unless prohibited by applicable law, we may periodically set a maximum or minimum price that you may charge for products and services offered by Cha Redefine Stores. If we impose such a maximum or minimum price for any product or service, you may charge any price for the product or service up to and including our designated maximum price or down to and including our designated minimum price. The designated maximum and minimum prices for the same product or service may, at our option, be the same. For any product or service for which we do not impose a maximum or minimum price, we may require you to comply with an advertising policy adopted by us which will prohibit you from advertising any price for a product or service that is different than our suggested retail price. Although you must comply with any advertising policy we adopt, you will not be prohibited from selling any product or service at a price above or below the suggested retail price unless we impose a maximum price or minimum price for such product or service.

I. **CONTACT INFORMATION**.

You agree that, as between us and you, we reserve the right to all telephone numbers, fax numbers, email addresses and other Online Presences, online listings, and/or any other type of contact information or directory listing for your Store or that you use in the operation or promotion of your Store (collectively, the "**Contact Information**"). The Contact Information may be used only for your Store in accordance with this Agreement and our System Standards and for no other purpose. We reserve the right to notify any telephone company, listing agencies, website hosting company, domain registrar, social network, and any other third-party owning or controlling any Contact Information, if any information relating to your Store is inaccurate or violates our System Standards, and request that they modify such Contact Information, and/or remove such Contact Information.

J. **TECHNOLOGY SYSTEMS**.

You must acquire and use all hardware, software, technology, and other systems that we specify from time to time, including computer, point-of-sale systems, financial and reporting software, telecommunications, security and similar systems, together with the associated hardware, software, applications, integrations, and related equipment and services (collectively the "**Technology Systems**"). We may establish System Standards for the Technology Systems and/or require the use of designated Technology Systems for any purpose associated with your Store, including purchasing equipment and supplies, pricing, scheduling, accounting, security, data management, information storage, retrieval and transmission, customer information, customer programs, marketing, communications, or any other business purpose. We may require that you, at your expense, acquire new or substitute Technology Systems, and/or replace, upgrade or update existing Technology Systems, upon reasonable prior notice. You must take all steps necessary to enable us to have independent and unlimited access to the data collected through the Technology Systems, including information regarding Gross Sales, customer information, sales and performance reports, and any other information relating to your Store, and you must ensure that we and our designees will have the right to collect and retain from the Technology Systems any and all data we request or otherwise designate concerning your Store. You are responsible for all fees, costs and expenses associated with acquiring, licensing, utilizing, updating and upgrading the Technology Systems. Certain components of the Technology Systems must be purchased or licensed directly from designated or approved vendors, which may be us or our affiliates.

You are solely responsible for establishing and maintaining the connectivity, security, and reliability of the Technology Systems, including protecting it against computer viruses, bugs, power disruptions, disruptions, internet access failures, downtime and outages, data-related problems, and attacks by hackers and other unauthorized intruders. Upon our request, you must obtain and maintain cyber insurance and business interruption insurance for technology disruptions.

K. **INFORMATION SECURITY**.

You may from time to time have access to information that can be used to identify an individual, including names, addresses, telephone numbers, e-mail addresses, employee identification numbers, signatures, passwords, financial information, billing and payment information, and/or government-issued identification numbers ("**Personal Information**"). You may gain access to such Personal Information from us, our affiliates, our vendors, and/or your own operations. You acknowledge and agree that all Personal Information (other than Restricted Data, defined below) is our Confidential Information and is subject to the protections in Section 6.A.

During and after the Term, you (and if you are conducting business as an Entity, each of your owners) agree to, and to cause your respective current and former employees, representatives, affiliates, successors and assigns to: (1) process, retain, use, collect, and disclose all Personal Information only in strict accordance with all applicable laws, regulations, orders, the guidance and codes of practice issued by industry or regulatory agencies, and the privacy policies and terms and conditions of any applicable Online Presence; (2) assist us with meeting our compliance obligations under all applicable laws, regulations, and orders relating to Personal Information, including the guidance and codes of practice issued by industry or regulatory agencies; and (3) promptly notify us of any communication or request from any customer or other person to access, correct, delete, opt-out of, or limit activities relating to any Personal Information.

If you become aware of a suspected or actual breach of security or unauthorized access involving Personal Information, you will notify us immediately and specify the extent to which Personal Information was compromised or disclosed. You also agree to follow our instructions regarding curative actions and public statements relating to the breach. We reserve the right to conduct a data security and privacy audit of any of your Store and your Technology Systems at any time, from time to time, to ensure that you are complying with our requirements.

Notwithstanding anything to the contrary in this Agreement or otherwise, you agree that we do not control or own any of the following Personal Information (collectively, the "**Restricted Data**"): (i) any Personal Information of the employees, officers, contractors, owners or other personnel of you, your affiliates, or your Store; (ii) such other Personal Information as we from time to time expressly designate as Restricted Data; and/or (iii) any other Personal Information to which we do not have access. Regardless of any guidance we may provide generally and/or any specifications that we may establish for other Personal Information, you have sole and exclusive responsibility for all Restricted Data, including establishing protections and safeguards for such Restricted Data; provided, that in each case you agree to comply with all applicable laws, regulations, orders, and the guidance and codes of practice issued by industry or regulatory agencies applicable to such Restricted Data.

L. **EMPLOYEES, AGENTS, AND INDEPENDENT CONTRACTORS**.

You acknowledge and agree that you are solely responsible for all decisions relating to employees, agents, and independent contractors that you may hire to assist in the operation of your Store. You agree that any employee, agent, or independent contractor that you hire will be your employee, agent, or independent contractor, and not our employee, agent, or independent contractor. You also agree that you are exclusively responsible for the terms and conditions of employment of your employees, including recruiting, hiring, firing, training, compensation, work hours and schedules, work assignments, safety and security, discipline, and supervision. You agree to manage the employment functions of your Store in compliance with all applicable employment laws.

9. **MARKETING**.

A. **GRAND OPENING ADVERTISING**.

You must spend at least $2,000 for a grand opening advertising program for your Store. You must spend this amount in addition to all other amounts you must spend on advertising specified in this Agreement. The amount you spend on grand opening advertising program will not count towards your Local Advertising Expenditure (defined below) or your Brand Fund Contribution (defined below). You agree to submit a plan and budget for your grand opening marketing program to us for our approval before your expected Opening Date, and to complete all grand opening marketing pursuant to the plan we have approved. You must also use any media, materials, programs, and strategies that we require in connection with the grand opening advertising program.

B. **BRAND FUND**.

We have established a brand promotion fund (the "**Brand Fund**") to administer certain advertising, marketing, and public relations programs for the System, the Cha Redefine® brand, and the promotion of Cha Redefine Stores. You hereby agree to contribute to the Brand Fund the amount that we prescribe (the "**Brand Fund Contribution**"). We may modify the amount of the Brand Fund Contribution from time to time with notice to you, provided that: (1) the total amount of the Brand Fund Contribution will not at any time exceed 3% of Gross Sales; and (2) the amount of the Brand Fund Contribution will not be increased by more than 1% of Gross Sales in any 12-month period during the Term. The Brand Fund Contribution must be paid by you in the manner we designate from time to time, which may include collecting amounts in the same manner as the Royalty.

We will have exclusive control over all programs and services administered by the Brand Fund, with sole discretion over the creative concepts, materials, and campaigns and their geographic market, media placement and allocation. The Brand Fund may pay for preparing and producing video, audio, and written materials and electronic media; developing, implementing, and maintaining any Online Presences or other software or applications; administering national, regional, digital, or local advertising and marketing campaigns and/or programs; using advertising, promotion, and marketing agencies and other advisors to provide assistance; supporting public relations, market research, and other advertising, promotion, and marketing strategy or implementation activities; and/or any other expenditures that are directly or indirectly related to promoting the Marks, the System, the brand, and/or Cha Redefine Stores. We may also use the Brand Fund to pay for the Brand Fund's administrative and overhead costs, including the reasonable salaries and benefits of personnel who manage and administer the Brand Fund, and any other expenses that we or our affiliates incur that are related to administering or directing the Brand Fund and its programs. We may modify Brand Fund programs, services, or expenditures at any time in our sole discretion.

The purpose of the Brand Fund is to promote the Marks, the System, the Cha Redefine® brand, and Cha Redefine Stores generally. As such, you acknowledge and agree that there is no guarantee that you or your Store will benefit from Brand Fund expenditures directly or in proportion to your Brand Fund Contribution. You further acknowledge and agree that neither we nor any of our affiliates or representatives has guaranteed the results of any Brand Fund or other marketing or promotional programs, services, or expenditures in any manner.

We will account for the Brand Fund separately from our other funds. However, neither we nor any of our affiliates has any fiduciary obligation to you or any other person for administering the Brand Fund. The Brand Fund may spend in any fiscal year more or less than the total Brand Fund Contributions in that year, borrow from us or others (paying reasonable interest) to cover deficits, or invest any surplus for future use. We may administer the Brand Fund through a separate entity whenever we deem appropriate, and such entity will have all of the rights and duties specified in this Section. We have the right, but no obligation, to use collection agents and institute legal proceedings to collect Brand Fund Contributions at the Brand Fund's expense. We may also forgive, waive, settle, and compromise all claims by or against the Brand Fund in our sole discretion.

We may, upon prior written notice to you, reduce or suspend Brand Fund Contributions and/or operations of the Brand Fund for one or more periods of any length and terminate (and, if terminated, reinstate) the Brand Fund and associated Brand Fund Contributions. If we terminate the Brand Fund, we will spend the remaining balance of the monies in the Brand Fund in accordance with this Section until such amounts are exhausted. We may elect to maintain multiple Brand Funds, whether determined by geographic region, country, or otherwise, or consolidate or merge multiple Brand Funds, in each case provided that each such Brand Fund will otherwise remain subject to this Section.

C. **LOCAL ADVERTISING EXPENDITURES**.

You are solely responsible for conducting all local advertising for your Store. However, you must satisfy our System Standards for all advertising for your Store or using the Marks or the System, which may include the requirement that you advertise and market your Store in any advertising medium we determine, use forms of advertisement we approve, and/or list your Store with the online directories and subscriptions we periodically prescribe, and/or establish any other Online Presence we require.

We may require you to spend an amount that we designate from time to time to advertise and promote your Store, in addition to your obligations under Section 9.A and Section 9.B above (the "**Local Advertising Expenditure**"). We reserve the right to require you to pay part or all of your Local Advertising Expenditure to us or our designee to spend on marketing programs that we determine for your Store. We may change the amount of your Local Advertising Expenditure with notice to you, from time to time, provided that (1) the total amount of the Local Advertising Expenditure will not at any time exceed 2% of Gross Sales; and (2) the amount of the Local Advertising Expenditure will not be increased by more than 1% of Gross Sales in any 12-month period during the Term. You agree to send us, in the manner we prescribe, an accounting of your expenditures for local advertising at the intervals and on the dates that we designate from time to time.

You agree that your advertising, promotion, and marketing will be completely clear, factual, and not misleading and conform to both the highest standards of ethical advertising and marketing and the advertising and marketing policies that we prescribe from time to time. At least 14 days before you use them, you agree to send us for approval samples of all advertising, promotional, and marketing materials which we have not prepared or previously approved. If you do not receive written approval within 14 days after we receive the materials, they are deemed to be disapproved. Once we approve the materials, you are permitted to use them. However, we may withdraw our approval at any time and for any reason. You may not use any advertising, promotional, or marketing materials that we have not approved or have disapproved.

D. **SYSTEM WEBSITES & ONLINE PRESENCES**.

We may establish and develop Online Presences to advertise, market, and promote Cha Redefine Stores, the products and services that they offer and sell, or the Cha Redefine Store franchise opportunity (each a "**System Website**"). We may, but are not obligated to, provide you with a webpage or other Online Presence that references your Store on any System Website. If we provide you with a webpage or other presence on any System Website, you must: (1) provide us the information and materials we request to develop, update, and modify the information about your Store on the System Website; and (2) notify us whenever any information on the System Website about your Store is not accurate. We will maintain each System Website in our sole discretion, and may use the Brand Fund's assets to develop, maintain, and update the System Website. We may periodically update and modify any System Website (including references to your Store). We have final approval rights over all information on any System Website (including references to your Store).

If you are in default of any obligation under this Agreement or our System Standards, then we may, in addition to our other remedies, temporarily remove references to your Store from any System Website until you fully cure the default. We will permanently remove all references to your Store from each System Website upon this Agreement's expiration or termination. All advertising, marketing, and promotional materials that you develop for your Store must contain notices of the System Website's domain name in the manner we designate.

We reserve the right to require you to obtain from us and use an email address associated with our registered domain name. If we require you to obtain and use such an email address, you must do so according to our then-current System Standards. You acknowledge and agree that we will have unrestricted access to and sole ownership of all such email accounts, and all documents, data, materials, and messages shared from or by such accounts. We may deactivate any such account or limit your or your users' access to it at any time.

Except as provided above, or as approved by us in writing or in the Brand Manual, you may not develop, maintain, or authorize any Online Presence that mentions your Store, links to any System Website, or displays any of the Marks. You may also not engage in any promotional or similar activities, or sell any products or services, whether directly or indirectly, through any Online Presence, without our prior written approval. If we approve the use of any such Online Presence in the operation of your Store, you will develop and maintain such Online Presence only in accordance with our guidelines, including our guidelines for posting any messages or commentary on third-party websites and/or maintaining an online privacy policy. Unless we specify otherwise, we will own the rights to each such Online Presence. At our request, you agree to grant us access to each such Online Presence, and to take whatever action (including signing assignment or other documents) we request to evidence our ownership of such Online Presence, or to help us obtain exclusive rights in such Online Presence.

10. **RECORDS, REPORTS, AND FINANCIAL STATEMENTS**.

You must use the Technology Systems to maintain certain sales and other financial data, customer information and other information we designate. You agree that we will have access to your Technology Systems as we designate from time to time, including the right to access, collect, and retain data concerning your Store. At our request, you agree to sign a release with any vendor of your Technology Systems, providing us and our designees with such access to the Technology Systems as we may request from time to time. If such vendor is not willing to grant independent access for any reason, you agree to provide us and our designees access to your Technology Systems through your account.

You agree to establish and maintain at your own expense a bookkeeping, accounting, and recordkeeping system conforming to the requirements and formats we prescribe from time to time. You further agree to deliver to us such financial records, including profit and loss statements, operating statements, cash flow statements, statistical reports, bank activity reports, tax records, and such other records we request, at the intervals and in the formats we specify.

We may use and/or disclose these reports and/or any data derived from these reports, as we determine in our sole discretion. You agree to preserve and maintain all records in a secure location at your Store for at least three years, or such longer period as may be required by applicable law (including sales checks, purchase orders, invoices, payroll records, customer lists, check stubs, sales tax records and returns, cash receipts and disbursement journals, and general ledgers).

Further, at our request, you will provide current financial information for your owners and guarantors sufficient to demonstrate such owners and guarantors ability to satisfy their financial obligations under their individual guarantees (our form of which is attached hereto as Attachment D).

11. **INSPECTIONS AND AUDITS**.

A. **OUR RIGHT TO INSPECT YOUR STORE**.

We and our designated agents or representatives, may at all times and without prior notice to you: (1) inspect your Store; (2) observe, photograph and record (audio and/or video) your Store and its operation for consecutive or intermittent periods we deem necessary; (3) continuously or periodically monitor your Store using electronic surveillance or other means; (4) remove samples of any products and supplies; (5) speak with your Store's personnel and customers; (6) inspect your Technology Systems, including hardware, software, security, configurations, connectivity, and data access; and (7) inspect and copy any books, records, and documents relating to your Store's operation. Additionally, we may contract with third parties to conduct mystery shopper, customer survey or other market research testing, and quality assurance inspections at your Store. You consent to all photos and video and/or audio recordings and agree to cooperate with us fully during the course of these inspections and tests. You further agree to obtain all third-party consents required under applicable law to permit such photos and video and/or audio recordings in connection with your Store. You agree to reimburse us for the cost of any quality assurance inspection and mystery shoppers that we engage to inspect your Store from time to time.

If we determine after any inspection of your Store that one or more failures of System Standards exist, we may re-inspect your Store one or more times thereafter to evaluate whether such failures have been cured and/or conduct any other follow-up review that we deem is necessary. You must reimburse all of our costs associated with any failed inspection and all re-inspections and follow-up visits, including vendor fees, travel expenses, room and board, and compensation of our representatives and designees. These remedies are in addition to our other remedies and rights under this Agreement and applicable law if you violate any System Standards.

B. **OUR RIGHT TO AUDIT**.

We representatives may at any time during your business hours, without prior notice to you, examine the bookkeeping and accounting records for your Store, sales and income tax records and returns, and other records. You agree to cooperate fully with our representatives in any examination. If any examination discloses an understatement of the Gross Sales, you agree to pay us, within 15 days after receiving the examination report, the amounts that would be due on such understated Gross Sales under this Agreement, plus our service charges and interest on the understated amounts from the date originally due until the date of payment. Furthermore, if an examination is necessary due to your failure to furnish reports, supporting records, or other information as required, or to furnish these items on a timely basis, or if our examination reveals an understatement exceeding 2% of the amount that you actually reported to us for the period examined, you agree to reimburse us for our costs of the examination, including the audit cost, charges of attorneys and independent accountants and the travel expenses, room and board, and compensation of our employees. These remedies are in addition to our other remedies and rights under this Agreement and applicable law.

12. **TRANSFER**.

A. **BY US**.

We maintain a staff to manage and operate the franchise system and you understand that staff members can change as employees come and go. You represent that you have not signed this Agreement in reliance on any particular manager, owner, director, officer, or employee remaining with us in any capacity. We may change our ownership or form or assign this Agreement and any other agreement to a third party without restriction.

B. **BY YOU**.

The rights and duties this Agreement creates are personal to you (and if you are conducting business as an Entity, each of your owners), and we have granted you the terms of this Agreement in reliance upon our perceptions of your and your owners' individual or collective character, skill, aptitude, attitude, business ability, and financial capacity. Accordingly, none of the following may be transferred, mortgaged, pledged, or encumbered, without our prior written approval: (1) this Agreement or any interest in this Agreement; (2) your Store or all or substantially all of its assets, or the possession or control, or management of your Store; or (3) any direct or indirect ownership interest in you. A transfer of your Store ownership, possession, or control, or substantially all of its assets, may be made only with a transfer of this Agreement. Any transfer without our approval is a breach of this Agreement is void and has no effect. In this Agreement, the term "**transfer**" includes a voluntary, involuntary, direct, or indirect assignment, sale, gift, or other disposition, including transfer by reason of merger, consolidation, issuance of additional securities, death, disability, divorce, insolvency, encumbrance, foreclosure, surrender or by operation of law.

If you intend to list your Store for sale with any broker or agent, you shall do so only after obtaining our written approval of the broker or agent and of the listing agreement. You may not use or authorize the use of any Mark in advertising the transfer or other disposition of your Store or of any ownership interest in you without our prior written consent. You shall not use or authorize the use of, and no third party shall on your behalf use, any written materials to advertise or promote the transfer of your Store or of any ownership interest in you without our prior written approval.

C. **CONDITIONS FOR APPROVAL OF TRANSFER**.

You may not transfer this Agreement before your Store has opened for business. Thereafter, we will approve a transfer if all of the following requirements are met:

(1) you submit an application in writing requesting our consent and providing us all information or documents we request about the transferee and its owners that we request to evaluate their ability to satisfy their respective obligations under our then-current form of franchise agreement and any documents ancillary thereto, and each such person must have completed and satisfied all of our application and certification requirements, including the criteria that neither the transferee nor its owners (if the transferee is an Entity) or affiliates have an ownership interest in or perform services for a Competitive Business;

(2) you and your owners have not violated any provision of this Agreement or any other agreement with us or our affiliates during both the 60-day period before you requested our consent to the transfer and the period between your request and the effective date of the transfer, including that you have paid all Royalties, Brand Fund Contributions, and other amounts owed to us, our affiliates, and third-party vendors, and have submitted all required reports and statements;

(3) you provide us executed versions of any documents executed by you (or your owners) and transferee (and its owners) to effect the transfer, and all other information we request about the proposed transfer, and such transfer meets all of our requirements, including terms, closing date, purchase price, amount of debt and payment terms, and we have determined that the purchase price and other terms of the transfer will not adversely affect the operation of your Store;

(4) you (and your owners) and the transferee (and its owners) sign all of the documents we are then requiring in connection with a transfer, in a form satisfactory to us, including: (i) a release of any and all claims (except for claims which cannot be released or waived pursuant to applicable law) against us and our affiliates and our and their owners, officers, directors, employees, and agents, and (ii) covenants that you and your transferring owners agree to satisfy all post-termination obligations under this Agreement;

(5) all persons required to complete training under the transferee's franchise agreement satisfactorily complete our training program, and transferee has paid all costs and expenses we incur to provide the training program to such persons;

(6) if the proposed transfer requires notice to or approval from the landlord of the Premises, or any other action under the terms of the Lease, you have taken such appropriate action and delivered us evidence of the same;

(7) you have corrected any existing deficiencies of your Store of which we have notified you, and/or the transferee agrees to upgrade, remodel, and refurbish your Store in accordance with our then-current specifications for Cha Redefine Stores within the time period we specify following the date of the transfer and the transferee agrees to escrow an amount we approve for payment of the required upgrade, remodel or refurbishment;

(8) the transferee must (if the transfer is of this Agreement or your Store), sign our then-current form of franchise agreement and related documents, any and all of the provisions of which may differ materially from any and all of those contained in this Agreement, including the Royalty and the Brand Fund Contribution; provided, that the term of the new franchise agreement signed will equal the then-remaining Term;

(9) the transferee(s) must (if the transfer is any beneficial or ownership interest in you) (i) sign our then-current form of guaranty undertaking personally to be bound, jointly and severally, by all provisions of this Agreement and any ancillary agreements between you and us, and (ii) provide us with an updated Attachment A;

(10) you pay us a transfer fee equal to 50% of our then-current initial franchise fee; and

(11) you provide us the evidence we request to show that appropriate measures have been taken to effect the transfer as it relates to the operation of your Store, including, transferring all necessary business licenses, insurance policies, and material agreements, or obtaining new business licenses, insurance policies and material agreements, each in accordance with our System Standards.

We may review all information regarding your Store that you give the transferee, correct any information that we believe is inaccurate, and give the transferee copies of any reports that you have given us or we have made regarding your Store.

Our consent to a transfer pursuant to this Section is not a representation of the fairness of the terms of any contract between you and the transferee, a guarantee of your Store's or transferee's prospects of success, or a waiver of any claims we have against you (or your owners) or of our right to demand the transferee's full compliance with this Agreement.

D. **YOUR DEATH OR DISABILITY**.

Upon the death or disability of you (or if you are conducting business as an Entity, any of your owners), such person's executor, administrator, conservator, guardian, or other personal representative must transfer such person's interest in this Agreement, your Store, or ownership interest in you, to a third party that we approve (which may be such person's heirs, beneficiaries, or devisees). That transfer must be completed within a reasonable time, not to exceed 180 days from the date of death or disability, and is subject to all of the terms and conditions in this Section 12, except that any transferee that is the spouse or immediate family member of the deceased, will not have to pay the transfer fee described in Section 12.C(10) if the transfer meets all the other conditions in Section 12.C, and the transferee reimburses us for any costs we incur in connection with documenting and otherwise processing such transfer, including reasonable attorneys' fees. The term "**disability**" means a mental or physical disability, impairment, or condition that is reasonably expected to prevent or actually does prevent such person from fulfilling such person's respective duties under this Agreement, as applicable. In the event of the death or disability of you (if you are conducting business as an individual) or your Managing Owner (if you are conducting business as an Entity), if your Store is not otherwise being managed by a Store Manager, you or your Managing Owner's (as applicable) person's executor, administrator, conservator, guardian, or other personal representative must within a reasonable time, not to exceed 15 days from the date of death or disability, appoint a Store Manager who we approve and who has completed our then-current Initial Training Program to supervise the day-to-day operations of your Store under the terms of this Agreement. If your Store is not being managed properly at any time from and after the death or disability of you (if you are conducting business as an individual) or your Managing Owner (if you are conducting business as an Entity), in our sole judgment, we may, but need not, operate your Store on an interim basis (or appoint a third party to operate the Studio on an interim basis) in accordance with Section 14.D.

E. **TRANSFER TO A WHOLLY-OWNED ENTITY**.

If you do not originally sign this Agreement as an Entity, you may transfer this Agreement to an Entity; provided, that: (1) such Entity conducts no business other than your Store and, if applicable, other Cha Redefine Stores; (2) you maintain management control of such Entity; (3) you own and control 100% of the economic interests, equity and voting power of all issued and outstanding ownership interests in such Entity; (4) all of the assets of your Store are owned, and the business of your Store is conducted only by that single Entity; (5) you satisfy all conditions applicable to a transfer described in Section 12.C, except that we will not require payment of a transfer fee as described in Section 12.C(10) (provided, that you reimburse us for any costs we incur in connection with documenting and otherwise processing such transfer, including reasonable legal fees) and our right of first refusal under Section 12.F will not apply; and (6) that Entity must expressly assume all of your obligations under this Agreement, your Lease, and otherwise satisfy the conditions under this Agreement, including delivery of insurance certificates to us. You agree to remain personally liable under this Agreement as if the transfer to the Entity did not occur, including by signing our then-current form of personal guaranty of the obligations of such Entity. You must also sign the form of consent to assignment and assignment satisfactory to us which may include a release of any and all claims (except for claims which cannot be released or waived pursuant to an applicable franchise law statute) against us and our affiliates, and our and their owners, officers, directors, employees, and agents.

F. **OUR RIGHT OF FIRST REFUSAL**.

If you or any of your owners wish to conduct a transfer described under Section 12.B and Section 12.C above, you (or your owners) agree to obtain from a responsible and fully disclosed buyer, and send us, a true and complete copy of a bona fide written offer relating exclusively to an interest in you or in this Agreement and your Store. The offer must include details of the payment terms of the proposed sale and the sources and terms of any financing for the proposed purchase price. To be a valid, bona fide offer, the proposed purchase price must be in a dollar amount, and the proposed buyer must submit with its offer an earnest money deposit equal to 5% or more of the offering price. We may require you (or your owners) to send us copies of any materials or information sent to the proposed buyer or transferee regarding the possible transaction.

We may elect to purchase the interest offered for the price and on the terms and conditions contained in the offer, provided that: (1) we notify you or your selling owner(s) that we intend to purchase the interest within 60 days after we receive a copy of the offer and all other information we request; (2) we may substitute cash for any form of payment proposed in the offer (such as ownership interests in a privately-held entity); (3) we or our designee will be offered the same terms for any promissory notes or other deferred payments as those offered by the proposed buyer; (4) we will have an additional 90 days to prepare for closing after notifying you of our election to purchase; and (b) we must receive, and you and your owners agree to make, all customary representations and warranties given by the seller of the assets of a business or the ownership interests in any legal business entity.

We have the unrestricted right to assign any or all of our rights under this Section to a third party, who then will have the rights described in this Section.

If we do not exercise our right of first refusal, you or your owners may complete the sale to the proposed buyer on the original offer's terms, but only if we otherwise approve the transfer in accordance with Section 12.B and Section 12.C, and if you and your owners and the transferee comply with the conditions in Section 12.B and Section 12.C.

If you do not complete the sale to the proposed buyer within 60 days after we notify you that we do not intend to exercise our right of first refusal, or if there is a material change in the terms of the sale (which you agree to tell us promptly), we or our designee will have an additional right of first refusal on the same terms as described above.

13. **RENEWAL OF YOUR FRANCHISE**.

A. **YOUR RIGHT TO RENEW YOUR FRANCHISE**.

When this Agreement expires, you may renew your franchise to operate your Store for one successive term of 5 years, if you meet the following conditions:

(1) you give us written notice of your election to acquire a successor franchise no more than 270 days and no less than 180 days before this Agreement expires;

(2) you and each of your owners have substantially complied with this Agreement at all times during the Term;

(3) you maintain possession of the Premises pursuant to a Lease we have approved, which must have a Lease term no less than the full term of the renewal franchise;

(4) you agree to remodel or expand your Store, add or replace improvements, and otherwise modify your Store as we require to comply with System Standards then-applicable for new Cha Redefine Stores;

(5) you pay us our renewal fee, which is 50% of then-current initial franchise fee;

(6) you and your owners have not violated any provision of this Agreement or any other agreement with us or our affiliates during both the 60-day period before you give us written notice of your election to acquire a successor franchise and on the date on which the term of the successor franchise commences, in full compliance with this Agreement including that you have paid all Royalties, Brand Fund Contributions, and other amounts owed to us, our affiliates, and third-party vendors, and have submitted all required reports and statements;

(7) you and your owners sign the franchise agreement and all other ancillary documents and guaranties we then use to grant franchises for Cha Redefine Stores (modified as necessary to reflect the fact that it is for a renewal franchise), which may contain provisions

that differ materially from those contained in this Agreement, including changes to your Royalty and Brand Fund Contribution;

(8) you and your owners agree to sign, in a form satisfactory to us, a general release of any and all claims (except for claims which cannot be released or waived pursuant to an applicable franchise law statute) against us and our owners, affiliates, officers, directors, employees, agents, successors, and assigns; and

(9) we are then-offering franchises for Cha Redefine Stores in your geographic market.

If you and/or your owners fail to meet the conditions set forth in this Section, you acknowledge that we are not required to offer you a renewal franchise, whether or not we had, or chose to exercise, the right to terminate this Agreement during its term under Section 14.C.

B. **ACQUIRING A RENEWAL FRANCHISE**.

If we agree to grant you a renewal franchise after we receive your notice that you wish to renew your franchise upon the expiration of the Term, our notice may describe certain remodeling, maintenance, expansion, improvements, technology upgrades, trade dress updates, and/or modifications required to bring your Store into compliance with then-applicable System Standards for new Cha Redefine Stores, and state the actions you must take to correct operating deficiencies and the time period in which you must correct these deficiencies. If our notice states that you must remodel your Store and/or must cure certain deficiencies of your Store or its operation as a condition to our granting you a renewal franchise, and you fail to complete the remodeling and/or to cure those deficiencies, we may revoke any approval of such a renewal franchise we may have awarded. If you fail to notify us of your election to acquire a renewal franchise within the prescribed time period, we need not grant you a renewal franchise.

14. **TERMINATION OF AGREEMENT**.

A. **AUTOMATIC**.

This Agreement and all rights granted to you in this Agreement shall automatically terminate without notice if: (1) you make an assignment for the benefit of creditors; (2) you consent to the appointment of a receiver, trustee, or liquidator of all or the substantial part of your property; (3) your Store is attached, seized, subjected to a writ or distress warrant, or levied upon, unless the attachment, seizure, writ, warrant, or levy is vacated within 30 days; (4) any order appointing a receiver, trustee, or liquidator of you or your Store is not vacated within 30 days following the order's entry; and/or (5) you or any of your owners file a petition in bankruptcy or a petition in bankruptcy is filed against you.

B. **BY YOU**.

If you and your owners are fully complying with this Agreement and we materially fail to comply with this Agreement and do not correct the failure within 30 days after you deliver written notice of the material failure to us or if we cannot correct the failure within 30 days and we fail to give you within 30 days after your notice reasonable evidence of our effort to correct the failure within a reasonable time, you may terminate this Agreement effective an additional 30 days after you deliver to us written notice of termination. Your termination of this Agreement other than according to this Section 14.B will be deemed a termination without cause and a breach of this Agreement.

C. **BY US**.

We may terminate this Agreement, effective upon delivery of written notice to you, if:

(1) you or any of your owners have made or make any material misrepresentation or omission in acquiring the rights under this Agreement or in operating your Store;

(2) you do not obtain lawful possession of a Premises we have approved and deliver to us a fully executed copy of the Lease and lease addendum we have approved for such Premises, in each case by the deadline set forth in Section 2.B;

(3) you do not satisfy all of your development obligations specified in this Agreement, including obtaining our approval prior to opening your Store, and open your Store for business by the deadline specified in Section 2.C;

(4) your Mandatory Trainees do not satisfactorily complete the Initial Training Program;

(5) you abandon or fail to actively operate your Store for more than 7 consecutive days of operation, or you provide us or any other party notice (written or oral) that you intend to permanently close or otherwise abandon the operation of your Store;

(6) you or any of your owners are or have been convicted of or have pleaded no contest or guilty to a felony;

(7) you fail to maintain the insurance we require and do not correct the failure within 10 days after we deliver written notice of that failure to you;

(8) you or any of your owners violate any of the covenants made in Section 5 (Marks), Section 6 (Proprietary Information) or Section 7 (Restrictive Covenants);

(9) you or any of your owners make or attempt to make an unauthorized transfer under Section 12;

(10) an event of default occurs under the terms of your Lease, your Lease is terminated by either party thereto, or you otherwise lose the right to occupy the Premises, whether or not through any fault of yours;

(11) you violate any law, ordinance, rule, or regulation of a governmental agency in connection with the operation of your Store and fail to correct such violation within 72 hours after notice to you, whether from us or any other party;

(12) you or any of your owners fail to pay us or our affiliates any amounts due and do not correct the failure within 10 days after notice to you, or fail to pay any third-party (including any landlord, vendor, or lender) any amounts owed in connection with the ownership or operation of your Store when due, and/or you or any of your owners breach any

other material obligations owed to such third party do not correct such failure within any cure periods permitted by the person to whom such obligations are owed;

(13) you fail to pay when due any federal or state income, service, sales, use, employment, or other taxes due on or in connection with the operation of your Store, unless you are in good faith contesting your liability for these taxes;

(14) you understate the Gross Sales three times or more during the Term;

(15) you (or any of your owners) (i) fail on three or more separate occasions within any 12 consecutive month period to comply with this Agreement, whether or not we notify you of the failures, and, if we do notify you of the failures, whether or not you correct the failures after our delivery of notice to you; or (ii) fail on two or more separate occasions within any 12 consecutive month period to comply with the same obligation under this Agreement, whether or not we notify you of the failures, and, if we do notify you of the failures, whether or not you correct the failures after our delivery of notice to you;

(16) you create or allow to exist any condition in connection with your operation of your Store, at any location, which we reasonably determine to present an immediate health or safety concern for your Store's customers or employees;

(17) you fail to pass quality assurance audits, mystery shopper visit, or other inspection, and do not cure all deficiencies within 15 days after notice to you;

(18) you or any of your owners and/or your Store Manager have acted inappropriately or abusively towards us and/or our representative(s), other franchisees, and/or customers of your Store on two or more occasions, whether in connection with your Store under this Agreement or any other agreement with us or our affiliate;

(19) you or any of your owners fail to comply with any other provision of this Agreement or any System Standard, and do not correct the failure within 30 days after notice to you; or

(20) you or your affiliate fails to comply with any other agreement with us or our affiliates and do not correct such failure within the applicable cure period, if any.

D. **INTERIM OPERATIONS**.

We have the right, but not the obligation, to enter the Premises and operate your Store on an interim basis, or to appoint a third party to operate your Store on an interim basis: (1) if you abandon or fail actively to operate your Store for a period of more than 7 consecutive days; (2) at any time after the death or disability of you (if you are conducting business as an individual) or your Managing Owner (if you are conducting business as an Entity), if your Store is at any time not being managed properly, as required by Section 12.D; or (3) if this Agreement expires or is terminated and we are transitioning your Store operations to us or another person we designate, or determining whether to do so.

If we elect to operate your Store on any interim basis, you must cooperate with us and our designees, continue to support the operations of your Store, and comply with all of our instructions and System Standards, including making available any and all books, records, and accounts. You understand and acknowledge that during any such interim period, you are still the owner of your Store, and you continue to bear sole liability for any and all accounts payable, obligations, and/or contracts, including all obligations under the Lease and all obligations to your vendors, employees, and contractors, and any and all sales tax, income tax, and other taxes and charges arising from the Gross Sales of your Store, in each case unless and until we expressly assume them in connection with the purchase of your Store under Section 15.D. If we or our designee operate your Store on an interim basis, you acknowledge that we or our designee will have a duty to utilize only reasonable efforts and will not be liable to you or your owners for any debts, losses, or obligations your Store incurs, or to any of your creditors for any supplies, products, or other assets or services your Store purchases, while we or our designee manage it. You understand that we are not required to use your employees, vendors, or contractors to operate your Store. You also agree that we may elect to cease such interim operations of your Store at any time with notice to you.

During any time period that we elect to operate your Store on any interim basis, we will collect the Gross Sales of your Store in an account we designate, which may be your business account and/or the business account of us or one of our affiliates or designees. We will account for and deduct from such Gross Sales all operating expenses of your Store, including: (i) any applicable Royalty, Brand Fund Contributions, and other amounts due to us or our affiliates, and (ii) any and all of our and our affiliates' and our designees' costs and expenses arising from such interim operations, which you hereby agree that you will reimburse in full as an operating expense of your Store. Any and all Gross Sales that exceed the expenses of your Store during the period of interim operations, as we determine and calculate, will be retained by us in full and will become our property, as consideration for the interim operations that we are providing under this Section. If the Gross Sales derived from operations of your Store is less than the amount of the associated expenses during the time of any interim operations, you are solely directly responsible for the balance of all such expenses and costs, including reimbursement of our and our affiliates' and designee's costs and expenses, and payment of any Royalty, Brand Fund Contributions, and other amounts due to us or our affiliates. We may collect any amounts owed to us, our affiliates, or designees directly from any collected Gross Sales, and/or pay over such amounts to us to us, our affiliates, or designees in any manner we see fit.

Our decision to operate your Store on an interim basis will not affect our right to terminate this Agreement under Section 14. Your indemnification obligations set forth under Section 16.D will continue to apply during any period that we or our designee operate your Store on an interim basis.

15. **RIGHTS AND OBLIGATIONS UPON TERMINATION OR EXPIRATION**.

A. **PAYMENT OF AMOUNTS OWED TO US**.

You agree to pay us the Royalty, Brand Fund Contributions, late fees and interest, and all other amounts owed to us and our affiliates which then are unpaid within 5 days after this Agreement expires or is terminated.

B. **DE-IDENTIFICATION**.

Upon termination or expiration of this Agreement you and your owners must immediately:

(1) close your Store for business to customers and cease to directly or indirectly sell any products and services of any kind and in any manner from your Store and/or using the

Marks, unless we direct you otherwise in connection with our exercise of our option to purchase pursuant to Section 15.D;

(2) cease to directly or indirectly use any Mark, any colorable imitation of a Mark, other indicia of a Cha Redefine Store, or any trade name, trademark, service mark, or other commercial symbol that indicates or suggests a connection or association with us or the System, in any manner or for any purpose (except in connection with other Cha Redefine Stores you operate in compliance with the terms of a valid Franchise Agreement with us);

(3) cease to directly or indirectly identify yourself or your business as a current or former Cha Redefine Store or as one of our current or former franchise owners (except in connection with other Cha Redefine Stores you operate in compliance with the terms of a valid Franchise Agreement with us) and take the action required to cancel or assign all fictitious or assumed name or equivalent registrations relating to your use of any Mark;

(4) if we do not exercise our option to purchase your Store under Section 15.D below, promptly and at your own expense, make the alterations we specify to distinguish your Store clearly from its former appearance and from other Cha Redefine Stores, including by removing all materials and signage bearing our Marks and removing from both the interior and exterior of the Premises all materials and components of our trade dress as we determine to be necessary in order to prevent public confusion and in order to comply with the non-competition provisions set forth in Section 15.C;

(5) cease using and, at our direction, either disable or transfer, assign or otherwise convey to us full control of all Contact Information and Online Presences that you used to operate your Store or that displays any of the Marks or any reference to the franchise system (provided that all liabilities and obligations arising from any such Contact Information or Online Presence prior to the date of the transfer, assignment or conveyance to us will remain your sole responsibility in all respects, and any costs we incur in connection therewith will be indemnifiable under Section 16.D);

(6) return to us or destroy (as we require) all items, forms and materials containing any Mark or otherwise identifying or relating to Cha Redefine Stores, and any and all Confidential Information (including the Brand Manual and any and all customer data or other information from your Technology Systems as we designate;

(7) comply with all other System Standards we establish from time to time (and all applicable laws) in connection with the closure and de-identification of your Store, including as it relates to disposing of Personal Information, in any form, in your possession or the possession of any of your employees; and

(8) give us evidence satisfactory to us of your compliance with these obligations.

If you fail to take any of the actions or refrain from taking any of the actions described above, we may take whatever action and sign whatever documents we deem appropriate on your behalf to cure the deficiencies, including, without liability to you or third parties for trespass or any other claim, to enter the Premises and remove any signs or other materials containing any Marks from your Store. You must reimburse us for all costs and expenses we incur in correcting any such deficiencies. You hereby appoint us your true and lawful attorney-in-fact to take such actions and execute such documents on your behalf as may be required to effect the foregoing purposes.

C. **COVENANT NOT TO COMPETE**.

For two years beginning on the date of termination or expiration of this Agreement, you and your owners agree not to (and to use each of your best efforts to cause each of your respective current and former spouses, immediate family members, owners, officers, directors, employees, representatives, affiliates, successors and assigns not to): (1) have any direct or indirect interest as an owner (whether of record, beneficially, or otherwise) in a Competitive Business; (2) lease or sublease the Premises to a Competitive Business; and/or (3) perform services as a director, officer, manager, employee, consultant, representative, or agent for a Competitive Business, in each case, if such Competitive Business is located or operating:

(i) at the Premises or within a 5-mile radius of the Premises, or

(ii) within a 5-mile radius of any other Cha Redefine Store.

If any person restricted by this Section fails to comply with these obligations as of the date of termination or expiration, the two-year restricted period for that person will commence on the date the person begins to comply with this Section, which may be the date a court order is entered enforcing this provision. You and your owners expressly acknowledge that you possess skills and abilities of a general nature and have other opportunities for exploiting these skills. Consequently, our enforcing the covenants made in this Section will not deprive you of your personal goodwill or ability to earn a living. The restrictions in this Section will also apply after any transfer, to the transferor and its owners, for a period of two years beginning on the effective date of the transfer, with the force and effect as though this Agreement had been terminated for such parties as of such date.

D. **OUR RIGHT TO PURCHASE YOUR STORE**.

We have the option to purchase any or all of the assets of your Store, including your Premises (if you or one of your owners or affiliates owns the Premises) upon termination or expiration of this Agreement. We have the unrestricted right to assign this option to purchase. We may exercise this option by giving you written notice within 30 days after the date of such termination or expiration. The purchase price for your Store will be the net realizable value of the tangible assets in accordance with the liquidation basis of accounting (not the value of your Store as a going concern). If you dispute our calculation of the purchase price, the purchase price will be determined by one independent accredited appraiser designated by us who will calculate the purchase price applying the criteria specified above. We agree to select the appraiser within 15 days after we receive the financial and other information necessary to calculate the purchase price (if you, and we have not agreed on the purchase price before then). You and we will share equally the appraiser's fees and expenses. The appraiser must complete its calculation within 30 days after its appointment. We may set off against the purchase price, and reduce the purchase price by, any and all amounts you or your owners owe us or our affiliates.

Closing of the purchase will take place, as described below, on a date we select which is within 90 days after determination of the purchase price in accordance with this Section, although we or our designee may decide after the purchase price is determined not to purchase your Store and/or the Premises. At the closing, you agree to deliver to us or our designee: (1) an asset purchase agreement and other agreements in the form we dictate, which provide customary warranties and representations, including representations and warranties as to ownership and condition of and title to assets; liens and encumbrances on assets; validity of contracts and agreements; and liabilities affecting the assets, contingent or otherwise; (2) good and merchantable title to the assets purchased, free and clear of all liens and encumbrances (other than liens and security interests acceptable to us), with all taxes paid by you, including sales, goods and services, harmonized sales, use, value added, retailer's excise, or similar taxes; (3) any and all of your Store's licenses and permits which may be assigned or transferred; (4) the ownership interest or leasehold interest (as applicable, if we determine) in the Premises and improvements or a lease assignment or lease or sublease, as applicable; and (5) an agreement, in form and substance satisfactory to us, voluntarily terminating this Agreement, under which you agree to comply with all post-term obligations under this Agreement, and that you and your owners agree to a general release of any and all claims (except for claims which cannot be released or waived pursuant to an applicable franchise law statute) against us and our owners, affiliates, officers, directors, employees, agents, successors, and assigns. If you cannot deliver clear title to all of the purchased assets, or if there are other unresolved issues, we and you will close the sale through an escrow.

E. **LOST REVENUE DAMAGES**.

If we terminate this Agreement because of your breach or if you terminate this Agreement without cause, you and we agree that it would be difficult, if not impossible, to determine the amount of damages that we would suffer due to the loss or interruption of the revenue stream we otherwise would have derived from your continued payment of Royalties, and that the Brand Fund would have otherwise derived from your continued Brand Fund Contributions, through the remainder of the Term. Therefore, you and we agree that a reasonable estimate of such damages, less any cost savings we might have experienced (the "**Lost Revenue Damages**"), is an amount equal to the net present value of the Royalties and Brand Fund Contributions that would have become due had this Agreement not been terminated, from the date of termination to the earlier of: (1) 3 years following the date of termination (if this Agreement is terminated before the 5th anniversary of the Effective Date) or 2 years following the date of termination (if this Agreement is terminated at any time after the 5th anniversary of the Effective Date); or (2) the scheduled expiration of the Term.

For the purposes of this Section, Royalties and Brand Fund Contributions will be calculated based on the average monthly Gross Sales of your Store during the 12 full calendar months immediately preceding the last date of regular operations of your Store; provided, that if as of such date, your Store has not been operating for at least 12 months, Royalties and Brand Fund Contributions will be calculated based on the average monthly Gross Sales of all Cha Redefine Stores operating under the Marks during the fiscal year immediately preceding the termination date.

You agree to pay us Lost Revenue Damages within 5 days after this Agreement is terminated. You and we agree that the calculation described in this Section is a calculation only of the Lost Revenue Damages and that nothing herein shall preclude or limit us from proving and recovering any other damages caused by your breach of the Agreement.

F. **CONTINUING OBLIGATIONS**.

All of our and your (and your owners') obligations which expressly or by their nature survive this Agreement's expiration or termination will continue in full force and effect subsequent to and notwithstanding its expiration or termination and until they are satisfied in full or by their nature expire, including all obligations relating to non-disparagement, non-competition, non-interference, confidentiality, information security, Innovations, and indemnification.

16. **RELATIONSHIP OF THE PARTIES/INDEMNIFICATION**.

A. **INDEPENDENT CONTRACTORS**.

This Agreement does not create a fiduciary relationship between you and us, that you and we are and will be independent contractors, and that nothing in this Agreement is intended to make either you or us a general or special agent, joint venturer, partner, or employee of the other for any purpose. You agree to identify yourself conspicuously in all dealings with customers, vendors, public officials, your personnel, and others as the sole owner and operator of your Store and to place notices of independent ownership on the forms, business cards, stationery, advertising, and other materials we require from time to time. You also acknowledge that you will have a contractual relationship only with us and may look only to us to perform under this Agreement, and not our affiliates, designees, officers, directors, employees, or other representatives or agents.

B. **NO LIABILITY TO OR FOR ACTS OF OTHER PARTY**.

We and you may not make any express or implied agreements, warranties, guarantees, or representations, or incur any debt, in the name or on behalf of the other or represent that our respective relationship is other than franchisor and franchise owner. We will not be obligated for any damages to any person or property directly or indirectly arising out of the operation of your Store or the business you conduct under this Agreement. We will have no liability for your obligations to pay any third parties, including any product vendors.

C. **TAXES**.

We will have no liability for any sales, use, service, occupation, excise, gross receipts, income, property, or other taxes, whether levied upon you or your Store, due to the business you conduct (except for our income taxes). You are responsible for paying these taxes and must reimburse us for any such taxes that we must pay to any state taxing authority on account of your operation or payments that you make to us.

D. **INDEMNIFICATION**.

You agree to indemnify, defend, and hold harmless us, our affiliates, and each of our and their respective affiliates, owners, directors, managers, officers, employees, agents, successors, and assignees (the "**Indemnified Parties**") against, and to reimburse any one or more of the Indemnified Parties for, all claims, obligations, and damages directly or indirectly arising out of: (i) the development and operation of your Store; (ii) the business you conduct under this Agreement; (iii) your breach of this Agreement; (iv) your employment practices, instituted by your employees or by others; and/or (v) the actions or omissions of you, your owners, or your and their respective representatives, unless (and then only to the extent that) the claims, obligations, or damages are determined to be caused solely by the Indemnified Party's intentional misconduct in a final, unappealable ruling issued by a court with competent jurisdiction or arbitrator. For purposes of this indemnification, "**claims**" include all obligations, damages (actual, consequential, or otherwise), and costs that any Indemnified Party reasonably incurs in defending any claim against it, including reasonable accountants', arbitrators', attorneys', and expert witness fees, costs of investigation and proof of facts, court costs, travel and living expenses, and other expenses of litigation or alternative dispute resolution, regardless of whether litigation or alternative dispute resolution is commenced.

Each Indemnified Party may defend any claim against it at your expense and agree to settlements or take any other remedial, corrective, or other actions. This indemnity will continue in full force and effect subsequent to and notwithstanding this Agreement's expiration or termination. An Indemnified Party need not seek recovery from any insurer or other third party, or otherwise mitigate its losses and expenses, in order to maintain and recover fully a claim against you under this subparagraph. You agree that a failure to pursue a recovery or mitigate a loss will not reduce or alter the amounts that an Indemnified Party may recover from you under this Section. Any Indemnified Party may demand that you advance funds to such Indemnified Party to pay for any claims that are indemnifiable under this Section, and you will advance such funds promptly upon demand; provided, however, that if (and only to the limited extent that) any such claim is ultimately determined not to be indemnifiable under this Section in a final, unappealable ruling issued by a court with competent jurisdiction or arbitrator, such Indemnified Party must reimburse any portion of such funds that are attributable to such non-indemnifiable claims.

17. **ENFORCEMENT**.

A. **SEVERABILITY AND SUBSTITUTION OF VALID PROVISIONS**.

Except as expressly provided to the contrary in this Agreement, each section, paragraph, term, and provision of this Agreement is severable, and if, for any reason, any part is held to be invalid or contrary to or in conflict with any applicable present or future law or regulation in a final, unappealable ruling issued by any court, arbitrator, agency, or other tribunal with competent jurisdiction, that ruling will not impair the operation of, or otherwise affect, any other portions of this Agreement, which will continue to have full force and effect and bind the parties.

If any covenant which restricts competitive activity is deemed unenforceable by virtue of its scope in terms of area, business activity prohibited, or length of time, but would be enforceable if modified, you and we agree that the covenant will be enforced to the fullest extent permissible under the laws and public policies applied in the jurisdiction whose law determines the covenant's validity.

If any applicable and binding law or rule of any jurisdiction requires more notice than this Agreement requires of this Agreement's termination or of our refusal to enter into a successor franchise agreement, or some other action that this Agreement does not require, or if, under any applicable and binding law or rule of any jurisdiction, any provision of this Agreement or any System Standard is invalid, unenforceable, or unlawful, the notice or other action required by the law or rule will be substituted for the comparable provisions of this Agreement, and we may modify the invalid or unenforceable provision or System Standard to the extent required to be valid and enforceable or delete the unlawful provision in its entirety. You agree to be bound by any promise or covenant imposing the maximum duty the law permits which is subsumed within any provision of this Agreement, as though it were separately articulated in and made a part of this Agreement.

B. **WAIVER OF OBLIGATIONS**.

We and you may by written instrument unilaterally waive or reduce any obligation of or restriction upon the other under this Agreement, effective upon delivery of written notice to the other or another effective date stated in the notice of waiver. Any waiver granted will be without prejudice to any other rights we or you have, will be subject to continuing review, and may be revoked at any time and for any reason effective upon delivery of 10 days' prior written notice.

We and you will not waive or impair any right, power, or option this Agreement reserves (including our right to demand exact compliance with every term, condition, and covenant or to declare any breach to be a default and to terminate this Agreement before the Term expires) because of any custom or practice at variance with this Agreement's terms; our or your failure, refusal, or neglect to exercise any right under this Agreement or to insist upon the other's compliance with this Agreement, including any System Standard; our waiver of or failure to exercise any right, power, or option, whether of the same, similar, or different nature, with other Cha Redefine Stores; the existence of franchise agreements for other Cha Redefine Stores which contain provisions different from those contained in this Agreement; or our acceptance of any payments due from you after any breach of this Agreement. No special or restrictive legend or endorsement on any check or similar item given to us will be a waiver, compromise, settlement, or accord and satisfaction. We are authorized to remove any legend or endorsement, which then will have no effect.

The following provision applies if you or the franchise granted hereby are subject to the franchise registration or disclosure laws in California, New York, or Washington: No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (1) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (2) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

C. **COSTS AND ATTORNEYS' FEES**.

The prevailing party in any judicial or arbitration proceeding shall be entitled to recover from the other party all damages, costs, and expenses, including arbitration and court costs and reasonable attorneys' fees, incurred by the prevailing party in connection with such proceeding.

D. **NO WITHHOLDING OF PAYMENTS DUE TO US**.

You may not withhold payment of any amounts owed to us on the grounds of our alleged non-performance of any of our obligations under this Agreement or for any other reason, and you specifically waive any right you may have at law or in equity to offset any funds you may owe us or to fail or refuse to perform any of your obligations under this Agreement.

E. **RIGHTS OF PARTIES ARE CUMULATIVE**.

Our and your rights under this Agreement are cumulative, and our or your exercise or enforcement of any right or remedy under this Agreement will not preclude our or your exercise or enforcement of any other right or remedy which we or you are entitled by law to enforce.

F. **ARBITRATION**.

We and you agree that all controversies, disputes, or claims between us or any of our affiliates, and our and their respective shareholders, officers, directors, agents, and employees, on the one hand, and you and your owners, guarantors, affiliates, and employees, on the other hand, arising out of or related to: (1) this Agreement or any other agreement between you (or any of your owners) and us (or any of our affiliates); (2) our relationship with you; (3) the scope or validity of this Agreement or any other agreement between you (or any of your owners) and us (or any of our affiliates) or any provision of any of such agreements (including the validity and scope of the arbitration provision under this

Section, which we and you acknowledge is to be determined by an arbitrator, not a court); or (4) any System Standard, must be submitted for binding arbitration, on demand of either party, to the American Arbitration Association (the "**AAA**"). The arbitration proceedings will be conducted by one arbitrator and, except as this Section otherwise provides, according to the AAA's then-current Commercial Arbitration Rules. All proceedings will be conducted at a suitable location chosen by the arbitrator that is within 50 miles of our or, as applicable, our successor's or assign's then-current principal place of business (currently, Temple City, California). All matters relating to arbitration will be governed by the Federal Arbitration Act (9 U.S.C. §§ 1 et seq.). The interim and final awards of the arbitrator shall be final and binding upon each party, and judgment upon the arbitrator's awards may be entered in any court of competent jurisdiction.

The arbitrator has the right to award or include in his or her awards any relief which he or she deems proper, including money damages, pre- and post-award interest, interim costs and attorneys' fees, specific performance, and injunctive relief, provided that the arbitrator may not declare any of the trademarks owned by us or our affiliates generic or otherwise invalid, or award any punitive or exemplary damages against any party to the arbitration proceeding (we and you hereby waiving to the fullest extent permitted by law any such right to or claim for any punitive or exemplary damages against any party to the arbitration proceeding). In any arbitration brought pursuant to this arbitration provision, and in any action in which a party seeks to enforce compliance with this arbitration provisions, the prevailing party shall be awarded its costs and expenses, including attorneys' fees, incurred in connection therewith.

We and you agree to be bound by the provisions of any applicable contractual or statutory limitations provision, whichever expires earlier. We and you further agree that, in any arbitration proceeding, each party must submit or file any claim which would constitute a compulsory counterclaim (as defined by Rule 13 of the Federal Rules of Civil Procedure) within the same proceeding. Any claim which is not submitted or filed as required will be forever barred. The arbitrator may not consider any settlement discussions or offers that might have been made by either you or us.

WE AND YOU AGREE THAT ARBITRATION WILL BE CONDUCTED ON AN INDIVIDUAL BASIS AND THAT AN ARBITRATION PROCEEDING BETWEEN US AND ANY OF OUR AFFILIATES, OR OUR AND THEIR RESPECTIVE SHAREHOLDERS, OFFICERS, DIRECTORS, AGENTS, AND EMPLOYEES, ON THE ONE HAND, AND YOU (OR YOUR OWNERS, GUARANTORS, AFFILIATES, AND EMPLOYEES), ON THE OTHER HAND, MAY NOT BE: (I) CONDUCTED ON A CLASS-WIDE BASIS; (II) COMMENCED, CONDUCTED OR CONSOLIDATED WITH ANY OTHER ARBITRATION PROCEEDING; (III) JOINED WITH ANY SEPARATE CLAIM OF AN UNAFFILIATED THIRD-PARTY; OR (IV) BROUGHT ON YOUR BEHALF BY ANY ASSOCIATION OR AGENT. Notwithstanding the foregoing, if any court or arbitrator determines that all or any part of the preceding sentence is unenforceable with respect to a dispute, controversy or claim that otherwise would be subject to arbitration under this Section, then all parties agree that this arbitration clause shall not apply to that dispute, controversy or claim and that such dispute, controversy or claim shall be resolved in a judicial proceeding in accordance with the dispute resolution provisions of this Agreement.

We and you agree that, in any arbitration arising as described in this Section, the arbitrator shall have full authority to manage any necessary exchange of information among the parties with a view to achieving an efficient and economical resolution of the dispute. The parties may only serve reasonable requests for documents, which must be limited to documents upon which a party intends to rely or documents that are directly relevant and material to a significant disputed issue in the case or to the case's outcome. The document requests shall be restricted in terms of time frame, subject matter and persons or entities to which the requests pertain and shall not include broad phraseology such as "all documents directly or indirectly related to." You and we further agree that no interrogatories or requests to admit shall be propounded unless the parties later mutually agree to their use.

The provisions of this Section are intended to benefit and bind certain third-party non-signatories. The provisions of this Section will continue in full force and effect subsequent to and notwithstanding the expiration or termination of this Agreement.

Any provisions of this Agreement below that pertain to judicial proceedings shall be subject to the agreement to arbitrate contained in this Section.

G. **GOVERNING LAW**.

Except to the extent governed by the United States Trademark Act of 1946 (Lanham Act, 15 U.S.C. Sections 1051 et seq.), or other United States federal law, this Agreement, the franchise for your Store, and all claims arising from the relationship between us or any of our affiliates, and you and your owners and affiliates, will be governed by the laws of the state in which your Store is located, without regard to such state's conflict of laws rules, except that any state law regulating the offer or sale of franchises or governing the relationship of a franchisor and its franchisee will not apply unless its jurisdictional requirements are met independently without reference to this Section.

H. **CONSENT TO JURISDICTION**.

Subject to the obligation to arbitrate under Section 17.F above and the provisions below, you and your owners agree that all actions arising under this Agreement or otherwise as a result of the relationship between you and us must be commenced in the court nearest to our or, as applicable, our successor's or assign's then-current principal place of business (currently, Temple City, California), and you (and each owner) irrevocably submit to the jurisdiction of that court and waive any objection you (or the owner) might have to either the jurisdiction of or venue in that court.

I. **WAIVER OF PUNITIVE DAMAGES AND JURY TRIAL**.

Except for your obligation to indemnify us for third party claims under Section 16.D, we and you (and your owners) waive to the fullest extent permitted by law any right to or claim for any punitive or exemplary damages against the other and agree that, in the event of a dispute between us and you, the party making a claim will be limited to equitable relief and to recovery of any actual damages it sustains. We and you irrevocably waive trial by jury in any proceeding brought by either of us.

J. **INJUNCTIVE RELIEF**.

Nothing in this Agreement, including the provisions of Section 17.F, bars our right to obtain specific performance of the provisions of this Agreement and injunctive relief against any threatened or actual conduct that will cause us, the Marks, or the System loss or damage, under customary equity rules, including applicable rules for obtaining restraining orders and temporary or preliminary injunctions. You agree that we may seek such relief from any court of competent jurisdiction in addition to such further or other relief as may be available to us at law or in equity. You agree that we will not be required to post a bond to obtain 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 injunction being expressly waived hereby).

K. **BINDING EFFECT**.

This Agreement is binding upon us and you and our and your respective executors, administrators, heirs, beneficiaries, permitted assigns, and successors in interest. Subject to our right to modify the Brand Manual and System Standards, this Agreement may not be modified except by a written agreement signed by our and your duly authorized officers.

L. **LIMITATIONS OF CLAIMS**.

You and your owners agree not to bring any claim asserting that any of the Marks are generic or otherwise invalid. EXCEPT FOR CLAIMS ARISING FROM YOUR NON-PAYMENT OR UNDERPAYMENT OF AMOUNTS YOU OWE US, ANY AND ALL CLAIMS ARISING OUT OF OR RELATING TO THIS AGREEMENT, YOUR STORE, OR OUR RELATIONSHIP WITH YOU WILL BE BARRED UNLESS A JUDICIAL OR ARBITRATION PROCEEDING IS COMMENCED IN ACCORDANCE WITH THIS AGREEMENT WITHIN ONE YEAR FROM THE DATE ON WHICH THE PARTY ASSERTING THE CLAIM KNEW OR SHOULD HAVE KNOWN OF THE FACTS GIVING RISE TO THE CLAIMS. The parties understand that such time limit might be shorter than otherwise allowed by law. You and your owners agree that your and their sole recourse for claims arising between the parties shall be against us or our successors and assigns. You and your owners agree that our and our affiliates' members, managers, shareholders, directors, officers, employees, and agents shall neither be personally liable nor named as a party in any action between us or our affiliates and you or your owners.

WE AND YOU AGREE THAT ANY PROCEEDING WILL BE CONDUCTED ON AN INDIVIDUAL BASIS AND THAT ANY PROCEEDING BETWEEN US AND ANY OF OUR AFFILIATES, OR OUR AND THEIR RESPECTIVE SHAREHOLDERS, OFFICERS, DIRECTORS, AGENTS, AND EMPLOYEES, ON THE ONE HAND, AND YOU OR YOUR OWNERS, GUARANTORS, AFFILIATES, AND EMPLOYEES, ON THE OTHER HAND, MAY NOT BE: (I) CONDUCTED ON A CLASS-WIDE BASIS; (II) COMMENCED, CONDUCTED OR CONSOLIDATED WITH ANY OTHER PROCEEDING; (III) JOINED WITH ANY CLAIM OF AN UNAFFILIATED THIRD-PARTY; OR (IV) BROUGHT ON YOUR BEHALF BY ANY ASSOCIATION OR AGENT.

No previous course of dealing shall be admissible to explain, modify, or contradict the terms of this Agreement. No implied covenant of good faith and fair dealing shall be used to alter the express terms of this Agreement.

M. **AGREEMENT EFFECTIVENESS**.

This Agreement shall not be effective until accepted by us as evidenced by dating and signing by an officer or other duly authorized representative of ours.

N. **CONSTRUCTION**.

The preambles and attachments are a part of this Agreement, which together with this Agreement constitute our and your entire agreement relating to the matters contemplated hereby, and there are no other oral or written understandings or agreements between us and you, or oral or written representations by us, relating to the subject matter of this Agreement, the franchise relationship, or your Store (any understandings or agreements reached, or any representations made, before this Agreement are superseded by this Agreement). Nothing in this or in any related agreement, however, is intended to disclaim the representations we made in the Franchise Disclosure Document that we furnish to you. Any policies that we adopt and implement from time to time to guide us in our decision-making are subject to change, are not a part of this Agreement, and are not binding on us.

Except as provided in this Agreement, including Section 16.D and Section 17.F, and those provisions expressly benefiting our affiliates, nothing in this Agreement is intended or deemed to confer any rights or remedies upon any person or legal entity not a party to this Agreement.

Except where this Agreement expressly obligates us reasonably to approve or not unreasonably to withhold our approval of any of your actions or requests, we have the absolute right to refuse any request you make or to withhold our approval of any of your proposed, initiated, or completed actions that require our approval. The headings of the sections and paragraphs are for convenience only and do not define, limit, or construe the contents of these sections or paragraphs.

References in this Agreement to: (1) "we," "us," and "our," with respect to all of our rights and all of your obligations to us under this Agreement, include any of our affiliates with whom you deal; (2) "affiliate" of any person means any other person that is directly or indirectly owned or controlled by, under common control with, or owning or controlling such person; (3) "control" of any person means the ownership interest of greater than 50% of the outstanding ownership interests of any entity, and/or the power to direct or cause the direction of management and policies; (4) "ownership interest" means any direct or indirect title, ownership and/or beneficial interest in the equity, voting rights, or economic interest in any Entity; (5) "owner" means any person that holds any direct or indirect ownership interest in an Entity; (6) "person" means any natural person, Entity, unincorporated association, cooperative, or other legal or functional organization; (7) unless otherwise specified, "days" means calendar days and not business days; and (8) "your Store" includes all of the assets of the Cha Redefine Store you operate under this Agreement, including its revenue and the Lease. The use of the term "including" in this Agreement, means in each case "including, without limitation."

If two or more persons are at any time the owners of your Store, whether as partners or joint venturers, their obligations, and liabilities to us will be joint and several.

18. **NOTICES AND PAYMENTS**.

All written notices, reports, and payments permitted or required to be delivered by this Agreement or the Brand Manual will be deemed to be delivered on the earlier of the date of actual delivery or one of the following: (1) at the time delivered by hand and/or otherwise actually received by the applicable recipient, (2) at the time delivered via electronic transmission and, in the case of the Royalty, Brand Fund Contributions, and other amounts due, at the time we actually receive electronic payment, (3) one business day after being placed in the hands of a nationally recognized commercial courier service for next business day delivery, or (4) three business days after placement in the United States Mail by Registered or Certified Mail, Return Receipt Requested, postage prepaid. Any notice must be sent to the party to be notified at its most current principal business address of which the notifying party has notice; except that, it will always be deemed acceptable to send notice to you at the address of the Premises. Any notice we send you by electronic means will be deemed delivered if it is delivered to the address of the Managing Owner listed on Exhibit A, or any other email address your Managing Owner has notified us of, and/or any branded email address we issue your Managing Owner.

19. **PROHIBITED PARTIES**.

You hereby represent and warrant to us, as an express consideration for the franchise granted hereby, that neither you nor any of your owners, employees, agents, or representatives, nor any other person or entity associated with you, is now, or has been:

(1) listed on: (i) the U.S. Treasury Department's List of Specially Designated Nationals; (ii) the U.S. Commerce Department's Denied Persons List, Unverified List, Entity List, or General Orders; (iii) the U.S. State Department's Debarred List or Nonproliferation Sanctions; or (iv) the Annex to U.S. Executive Order 13224; and/or

(2) a person or entity who assists, sponsors, or supports terrorists or acts of terrorism, or is owned or controlled by terrorists or sponsors of terrorism.

You further represent and warrant to us that you and your owners are now, and have been, in compliance with U.S. anti-money laundering and counter-terrorism financing laws and regulations, and that any funds provided by you or your owners to us or our affiliates are and will be legally obtained in compliance with these laws. You agree not to, and to cause all of your owners, employees, agents, representatives, and any other person or entity associated with you not to, during the Term, take any action or refrain from taking any action that would cause such person or entity to become a target of any such laws and regulations.

20. **EXECUTION**.

This Agreement may be executed in multiple counterparts, each of which shall be deemed to be an original and all of which taken together shall constitute one and the same agreement. This Agreement may be executed by electronic means.

[*Signature Page to Follow*]

IN WITNESS WHEREOF, the parties have executed and delivered this Agreement on the dates noted below, to be effective as of the Effective Date.

CHA REDEFINE FRANCHISES LLC, a California limited liability company	**FRANCHISEE:**
	________________________________
By:________________________________	By:________________________________
Name:______________________________	Name:______________________________
Title:_______________________________	Title:_______________________________
EFFECTIVE DATE:________________	Date: ______________________________

ATTACHMENT A
TO FRANCHISE AGREEMENT

ENTITY INFORMATION

1. **Formation**. You operate as a(n): ___ individual/sole proprietorship, ____ corporation, ______ limited liability company, or ______ partnership (CHECK ONE).

2. **Formation**: You were formed on __________, ______ under the laws of the State of ___________________________.

3. **Management**: The following is a list of your directors, officers, managers, or anyone else with a management position or title:

Name of Individual	Position(s) Held
________________________________	______________________________________
________________________________	______________________________________
________________________________	______________________________________
________________________________	______________________________________

4. **Owners**. The following list includes the full name of each individual who is one of your owners, or an owner of one of your owners, and fully describes the nature of each owner's interest:

Owner's Name	Percentage/Description of Interest (Including Voting Interest in You)
________________________________	______________________________________
________________________________	______________________________________
________________________________	______________________________________
________________________________	______________________________________

5. **Managing Owner**:

Name:____________________________ **Email**:__________________________________

6. **Store Manager(s)** (if applicable): ____

[*Signature Page to Follow*]

CHA REDEFINE FRANCHISES LLC, a California limited liability company	**FRANCHISEE:**
	________________________________
By:________________________________	By:________________________________
Name:______________________________	Name:______________________________
Title:_______________________________	Title:_______________________________

ATTACHMENT B
TO FRANCHISE AGREEMENT

PREMISES/PROTECTED TERRITORY

The Premises of your Store is: ____
____
____

The Protected Territory is:____
____
____
____
____
____

CHA REDEFINE FRANCHISES LLC, a California limited liability company

By:_________________________________
Name:_______________________________
Title:________________________________

FRANCHISEE:

____

By:_________________________________
Name:_______________________________
Title:________________________________

ATTACHMENT C
TO FRANCHISE AGREEMENT

CONFIRMATION OF OPENING DATE

Pursuant to Section 2.C of this Agreement, you are hereby approved to open your Store for business on the following date: _________________________________, 20___, which will be deemed to be the Opening Date for the purposes of this Agreement.

This Agreement will expire on ____________________, 20____.

CHA REDEFINE FRANCHISES LLC, a
California limited liability company

By:_________________________________
Name:_______________________________
Title:_______________________________

ATTACHMENT D
TO FRANCHISE AGREEMENT

GUARANTY AND ASSUMPTION OF OBLIGATIONS

THIS GUARANTY AND ASSUMPTION OF OBLIGATIONS is given by each of the undersigned persons indicated below who have executed this Guaranty (each a "**Guarantor**") to be effective as of the Effective Date of the Agreement (defined below).

In consideration of, and as an inducement to, the execution of that certain Franchise Agreement (the "**Agreement**") on this date by **Cha Redefine Franchises LLC** ("**us**," "**we**," or "**our**"), each Guarantor personally and unconditionally (a) guarantees to us and our successors and assigns, for the term of the Agreement and afterward as provided in the Agreement, that ____ ("**Franchise Owner**") will punctually pay and perform each and every undertaking, agreement, and covenant set forth in the Agreement and (b) agrees to be personally bound by, and personally liable for the breach of, each and every provision in the Agreement, both monetary obligations and obligations to take or refrain from taking specific actions or to engage or refrain from engaging in specific activities, including the non-competition, confidentiality, and transfer requirements.

Each Guarantor consents and agrees that: (1) Guarantor's direct and immediate liability under this Guaranty will be joint and several, both with Franchise Owner and among other guarantors; (2) Guarantor will render any payment or performance required under the Agreement upon demand if Franchise Owner fails or refuses punctually to do so; (3) this liability will not be contingent or conditioned upon our pursuit of any remedies against Franchise Owner or any other person; (4) this liability will not be diminished, relieved, or otherwise affected by any extension of time, credit, or other indulgence which we may from time to time grant to Franchise Owner or to any other person, including the acceptance of any partial payment or performance or the compromise or release of any claims, or any amendment, waiver or restatement to any terms of the Agreement, none of which will in any way modify or amend this Guaranty, which will be continuing and irrevocable during the term of the Agreement; and (5) at our request, each Guarantor shall present updated financial information to us as reasonably necessary to demonstrate such Guarantor's ability to satisfy the financial obligations of Franchise Owner under the Agreement.

Each Guarantor waives: (i) all rights to payments and claims for reimbursement or subrogation which any Guarantor may have against Franchise Owner arising as a result of the Guarantor's execution of and performance under this Guaranty; and (ii) acceptance and notice of acceptance by us of Guarantor's undertakings under this Guaranty, notice of demand for payment of any indebtedness or non-performance of any obligations hereby guaranteed, protest and notice of default to any party with respect to the indebtedness or nonperformance of any obligations hereby guaranteed, and any other notices to which he or she may be entitled.

Each Guarantor represents and warrants that, if no signature appears below for such Guarantor's spouse, such Guarantor is either not married or, if married, is a resident of a state which does not require the consent of both spouses to encumber the assets of a marital estate.

The provisions contained in Section 17 (Enforcement) of the Agreement, including Section 17.F (Arbitration), Section 17.H (Consent to Jurisdiction) and Section 17.C (Costs and Attorneys'

Fees) of the Agreement are incorporated into this Guaranty by reference and shall govern this Guaranty and any disputes between the Guarantors and us. The Guarantors shall reimburse us for all costs and expenses we incur in connection with enforcing the terms of this Guaranty.

By signing below, the undersigned spouse of each Guarantor indicated below, acknowledges and consents to the guaranty given herein by his/her spouse. Such consent also serves to bind the assets of the marital estate to Guarantor's performance of this Guaranty. We confirm that a spouse who signs this Guaranty solely in his or her capacity as a spouse (and not as an owner) is signing merely to acknowledge and consent to the execution of the Guaranty by his or her spouse and to bind the assets of the marital estate as described therein and for no other purpose (including to bind the spouse's own separate property).

Each Guarantor that is a business entity, retirement or investment account, or trust acknowledges and agrees that if Franchisee (or any of its affiliates) is delinquent in payment of any amounts guaranteed hereunder, that no dividends or distributions may be made by such Guarantor (or on such Guarantor's account) to its owners, accountholders or beneficiaries or otherwise, for so long as such delinquency exists, subject to applicable law.

This Guaranty is binding upon each Guarantor and its respective executors, administrators, heirs, beneficiaries, and successors in interest.

[*Signature Page to Follow*]

IN WITNESS WHEREOF, each of the undersigned has affixed his or her signature on this Guaranty and Assumption of Obligations to be effective as of the Effective Date.

GUARANTOR(S)	SPOUSE(S)
Sign:__________ Name: __________ Address: __________ __________ __________ Email Address:__________	Sign:__________ Name: __________ Address: __________ __________ __________ Email Address:__________
Sign:__________ Name: __________ Address: __________ __________ __________ Email Address:__________	Sign:__________ Name: __________ Address: __________ __________ __________ Email Address:__________
Sign:__________ Name: __________ Address: __________ __________ __________ Email Address:__________	Sign:__________ Name: __________ Address: __________ __________ __________ Email Address:__________

ATTACHMENT E
TO FRANCHISE AGREEMENT

RIDER TO LEASE AGREEMENT

This Rider and the provisions hereof are hereby incorporated into the body of the lease to which this Rider is attached (the "**Lease**"), between _________________ ("**Tenant**") and _______________________ ("**Landlord**"), for the real property described therein (the "**Premises**"). The provisions hereof will be cumulative of those set forth in the Lease, but to the extent of any conflict between any provisions of this Rider and the provisions of the Lease, this Rider will govern and control.

1. Acknowledgement of Franchise Relationship. Landlord acknowledges that Tenant intends to operate a Cha Redefine® Store (a "**Cha Redefine Store**") at the Premises, and that Tenant's rights to operate the Cha Redefine Store and to use the Cha Redefine® name, trademarks and service marks (the "**Marks**") are solely pursuant to a franchise agreement ("**Franchise Agreement"**) between Tenant and Cha Redefine Franchises LLC ("**Franchisor**"). Tenant's operations at the Premises are independently owned and operated. Landlord acknowledges that Tenant alone is responsible for all obligations under the Lease unless and until Franchisor or another franchisee expressly, and in writing, assumes such obligations and takes actual possession of the Premises. Landlord agrees not to take an action that would prohibit Tenant from operating the Cha Redefine Store, as contemplated by the Franchise Agreement, at the Premises.

2. Exclusivity of Use. Landlord and Tenant acknowledge and agree that the Premises shall be used only for the operation of a Cha Redefine® branded store during the term of the Lease and any extensions or renewals thereof, and no alternative or additional uses of the Premises by Tenant are permitted without prior written approval by Franchisor and Landlord.

3. Consent to Collateral Assignment to Franchisor. Landlord hereby consents, without payment of a fee and without the need for further Landlord consent, to (i) the collateral assignment of Tenant's interest in this Lease to Franchisor to secure Tenant's obligations to Franchisor under the Franchise Agreement; (ii) Franchisor's succeeding to Tenant's interest in the Lease as a result of Franchisor's exercise of rights or remedies under such collateral assignment or as a result of Franchisor's termination of, or exercise of rights or remedies granted in or under, any other agreement between Franchisor and Tenant; and/or (iii) Tenant's, Franchisor's and/or any other franchisee of Franchisor's assignment of the Lease to another franchisee of Franchisor with whom Franchisor has executed its then-standard Franchise agreement. Landlord agrees that to the extent Franchisor becomes Tenant, for howsoever brief a period, upon assumption of lease pursuant to this provision, that simultaneously with any subsequent assignment to another party, Franchisor will be released from all liability under the Lease or otherwise accruing after the date of such assignment; provided, that neither Tenant nor any other franchisee will be afforded such release in the event Tenant/such franchisee is the assignor, unless otherwise agreed by Landlord.

4. Tenant's Signage. Landlord agrees to allow Tenant to use Franchisor's standard interior and exterior signage and designs to the maximum extent permitted by local governmental authorities. Tenant will be provided, at Tenant's sole cost and expense, with a panel on any pylon/monument/directory sign for the development in which the Premises is located and will be permitted to install a standard sign thereon approved by Franchisor, including without limitation Franchisor's logo. Landlord hereby grants and approves Tenant the right to display the Marks at the Premises, subject only to the provisions of applicable law.

5. Notice and Cure Rights to Franchisor. Prior to exercising any remedies hereunder (except in the event of imminent danger to the Premises), Landlord will give Franchisor written notice of any default by Tenant, and commencing on receipt thereof by Franchisor, Franchisor will have fifteen (15) additional days to the established cure period as is given to Tenant under the Lease for such default to cure such defaults. Landlord agrees to accept cure tendered by Franchisor as if the same was tendered by Tenant, but Franchisor has no obligation to cure such default. Additionally, Landlord will give Franchisor written notice of any termination or non-renewal of the Lease, if applicable, prior to exercising such rights. The initial address for notices to Franchisor is as follows: Cha Redefine Franchises LLC, 9083 Las Tunas Drive, Temple City, California 91780, Attention: Legal Department, or such other address as Franchisor provides to Landlord.

6. Non-Disturbance from Mortgage Lenders. It will be a condition of the Lease being subordinated to any mortgage, deed of trust, deed to secure debt or similar encumbrance on the Premises that the holder of such encumbrance agree not to disturb Tenant's rights under this Lease or Tenant's possession of the Premises, so long as Tenant is not in default of its obligations under the Lease and the Franchise Agreement, beyond an applicable grace or cure period.

7. Fixtures and Signage. Any lien of Landlord in Tenant's trade fixtures, 'trade dress,' signage and other property at the Premises is hereby subordinated to Franchisor's interest in such items as described in the Franchise Agreement. On request, Landlord will grant the party who owns such property reasonable access to the Premises for the sole purpose of removing such property, provided such party repairs any damage caused by such removal and otherwise complies with Landlord's reasonable requirements with respect to such access.

8. Third-Party Beneficiary. Franchisor is a third-party beneficiary of the terms of this Rider, or any other terms of the Lease applicable to Franchisor's rights under the Lease, and as a result thereof, will have all rights (but not the obligation) to enforce the same.

9. Franchisor Right to Enter. Landlord acknowledges and agrees that Franchisor or its designee may enter the Premises for all purposes permitted under the terms of the Franchise Agreement, including to inspect the Premises and the Cha Redefine Store's operations, to manage the Tenant's business, on Tenant's behalf, under certain circumstances (e.g., Tenant's failure to timely cure its default of the Franchise Agreement, and while Franchisor evaluates its right to purchase the location), or to remove any trade fixtures or signage upon termination or expiration of the Franchise Agreement. If Franchisor enters the Premises for any such purposes, it will do so without assuming any liability under the Lease.

10. Amendments. Tenant agrees that neither the Lease nor this Rider may be amended by the parties thereto without the prior written consent of Franchisor.

11. Successors and Assigns. All rights of Franchisor shall inure to its benefit and to the benefit of its successors and assigns. Franchisor may assign its rights under this Rider to any designee. All provisions in this Rider applicable to Tenant and Landlord will be binding on any successor or assign of Tenant or Landlord under the Lease.

12. Execution. This Rider may be executed in counterparts, each of which will be deemed an original, but all of which together will constitute one and the same agreement with the Lease. This Rider and all other documents related to this Rider may be executed by manual or electronic signature.

AGREED and executed and delivered under seal by the parties hereto as of the day and year of the Lease.

LANDLORD: ____________________	**TENANT**: ______________________
By: _________________________	By: _________________________
Name: _______________________	Name: _______________________
Title: _______________________	Title: _______________________

ATTACHMENT F
TO FRANCHISE AGREEMENT

CONFIDENTIALITY AND NON-COMPETITION AGREEMENT

This Confidentiality and Non-Competition Agreement (this "**Agreement**") is entered into by each undersigned party (collectively, and jointly and severally, "**Receiving Party**") who is a store manager, officer or other management-level employee of ________________________________ ("**Franchisee**"), as of the date set forth below Receiving Party's signature (the "**Effective Date**").

1. PREAMBLES.

Franchisee and **CHA REDEFINE FRANCHISES LLC**, a California limited liability company ("**Franchisor**") have executed or intend to execute a franchise agreement (the "**Franchise Agreement**") under which Franchisee has been or will be granted certain rights to own and operate a Cha Redefine®-branded store (the "**Store**"). Under the Franchise Agreement, Franchisee has certain confidentiality obligations to protect the Confidential Information (defined below), including that Franchisee must obtain a signed confidentiality agreement from each of its store managers and any other officer and/or management-level employee that has access to any Confidential Information. Franchisee and Receiving Party both acknowledge and agree that Franchisor was induced to enter into the Franchise Agreement by Franchisee's commitment to obtain proper confidentiality agreements from its owners and representatives. As a condition of Receiving Party's employment, engagement, and/or other relationship with Franchisee, and Receiving Party's receipt of any Confidential Information, Receiving Party agrees to enter into this Agreement.

2. DEFINITIONS.

a. "**Confidential Information**" means certain confidential and proprietary information relating to the development and operation of *Cha Redefine* stores, including the Store, including: (i) site selection criteria, market or demographic research, and/or other real estate reports; (ii) training and operations materials and manuals, including the operations manual(s); (iii) the franchise system standards and other methods, formats, specifications, systems, procedures, techniques, sales and marketing techniques, knowledge, and experience used in developing, promoting and operating *Cha Redefine* stores; (iv) recipes, ingredient lists, nutrition facts, methods of preparation, and other information about products and menu items, including the existence or specifications of any seasonal or other unreleased products and menu items; (v) market research, promotional, marketing and advertising programs for *Cha Redefine* stores; (vi) identity and specifications for vendors, products, services and supplies; (vii) any software or technology which is proprietary to the franchise system, including any login credentials, source code, data, reports, and other materials generated by such technology; (viii) knowledge of the operating results and financial performance of any *Cha Redefine* store(s), including the Store; (ix) customer data, including names, addresses, telephone numbers, email addresses, buying habits, purchase history, preferences, demographic information and related information, opt-in/opt-out preferences and information regarding the exercise of any other privacy rights; (x) any other data, materials and/or information that is created by, stored in, and/or derived from any hardware, software, technology, and/or related systems used in connection with the Store; and (xi) any other information designated as confidential or proprietary by Franchisor or its affiliates.

b. "**Competitive Business**" means any business operating or granting franchises or licenses to others to operate any business: (i) for which tea, coffee, matcha, and fruit beverages, bakery items, tea and coffee retail products and/or similar products represent more than 20% of the total gross revenue; or (ii) whose menu or concept is otherwise substantially similar to that of *Cha Redefine* stores.

3. PROTECTION OF CONFIDENTIAL INFORMATION.

Receiving Party acknowledges and agrees that the Confidential Information is confidential to, and a valuable asset of, Franchisor, and that any unauthorized use or disclosure of such Confidential Information would be an unfair method of competition and a breach of trust and confidence, and will result in irreparable harm to Franchisor and/or its affiliates. As such, the Confidential Information will be disclosed to Receiving Party solely on the condition that Receiving Party agrees to the terms and conditions of this Agreement.

Receiving Party agrees that Receiving Party will: (i) not acquire any interest in any Confidential Information, other than the right to use it as specified by Franchisor in operating the Store pursuant to the Franchise Agreement; (ii) process, retain, use, collect, and disclose the Confidential Information only as necessary for the development and operation of the Store in accordance with the Franchise Agreement, and in strict accordance with the privacy policies and terms and conditions of any applicable website, social media account, and/or other digital presence of any kind, the franchise system standards established by Franchisor from time to time, and Franchisor's instructions; (ii) maintain the absolute confidentiality of the Confidential Information; (iii) not make unauthorized copies of any portion of the Confidential Information disclosed or recorded in written or other tangible form; and (iv) adopt and implement all reasonable procedures to prevent unauthorized use or disclosure of or access to the Confidential Information.

Notwithstanding anything to the contrary contained in this Agreement, the restrictions on Receiving Party's disclosure and use of the Confidential Information shall not apply to any information, knowledge, or know-how which is or becomes lawfully known to the general public without a violation by Receiving Party of applicable law or an obligation to Franchisor or its affiliates.

Franchisor and its affiliates have no liability to Receiving Party for any errors or omissions from or within any Confidential Information.

Receiving Party shall return and/or destroy all Confidential Information, as directed by Franchisor together with any and all copies thereof, within 10 days of written request by Franchisor or Franchisee. Receiving Party shall not make or use any copies, synopsis, summaries, or oral or written materials, photographs, or other documentation of the Confidential Information.

Notwithstanding anything to the contrary in this Agreement, Receiving Party may disclose the Confidential Information in response to any valid court order, subpoena, document discovery request, or regulation; *provided*, that prior written notice of such disclosure, unless otherwise prohibited by applicable law, is furnished to Franchisee and Franchisor as soon as practicable.

4. PERSONAL INFORMATION.

Receiving Party may from time to time have access to information that can be used to identify an individual, including names, addresses, telephone numbers, e-mail addresses, employee identification numbers, signatures, passwords, financial information, billing and payment information, and/or government-issued identification numbers ("**Personal Information**"). Receiving Party acknowledges and agrees that all Personal Information is Franchisor's Confidential Information and is subject to the protections set forth in this Agreement. In addition, Receiving Party agrees to: (i) process, retain, use, collect, and disclose all Personal Information only in strict accordance with all applicable laws, regulations, orders, the guidance and codes of practice issued by industry or regulatory agencies, and the privacy policies and terms and conditions of any applicable platform or website of any kind; (ii) assist Franchisee and Franchisor with meeting compliance obligations under all applicable laws, regulations, orders, and the guidance and codes of practice issued by industry or regulatory agencies; and (iii) promptly notify Franchisee and Franchisor of any communication or request from any customer or other person to access, correct, delete, or opt-out.

5. COVENANT NOT TO COMPETE.

Receiving Party acknowledges and agrees that Franchisor and Franchisee would be unable to protect the Confidential Information against unauthorized use or disclosure and Franchisor would be unable to achieve a free exchange of ideas and information among *Cha Redefine* stores if persons authorized to use the Confidential Information were permitted to engage in, have ownership interests in or perform services for Competitive Businesses. Receiving Party agrees that neither Receiving Party nor Receiving Party's spouse and/or immediate family members shall (i) have any direct or indirect interest as an owner in a Competitive Business; and/or (ii) perform services as a director, officer, manager, employee, consultant, representative, or agent for a Competitive Business, wherever located or operating, and/or (iii) divert or attempt to divert any actual or potential business or customer of any *Cha Redefine* store to a Competitive Business, as follows:

a. at any time in which Receiving Party is a store manager, officer or other management-level employee of Franchisee, in any location in the United States; and

b. For two years after the date on which Receiving Party is no longer a store manager, officer or other management-level employee of Franchisee, within a 5-mile radius of the Store.

Receiving Party acknowledges that the restrictions contained in this Section will not hinder his or her, or his or her spouse and/or immediate family, from engaging in any occupation or employment that is necessary for Receiving Party, or its spouse and/or immediate family member, to earn a livelihood.

6. INNOVATIONS.

All improvements, developments, derivative works, feedback, enhancements, or modifications to the franchise system and any Confidential Information (collectively, "**Innovations**") made or created by Receiving Party, whether developed separately or in conjunction with Franchisee or any other person, shall be owned solely by Franchisor and will in no event be owned by Receiving Party or any other person. Receiving Party hereby irrevocably waives, releases, and relinquishes any and all claims, rights, or interests it may have, now or in the future, in or to any Innovations, including any claim for compensation. If Receiving Party is deemed to have any interest in such Innovations, Receiving Party does assign, all right, title, and interest in and to such Innovations to Franchisor. Receiving Party hereby irrevocably designates and appoints Franchisor and its duly authorized officers and agents as Receiving Party's agent and attorney in fact, which appointment is coupled with an interest and is irrevocable, to act for and on Receiving Party's behalf to execute, verify, and file any such documents and to do all other lawfully permitted acts to further the purposes of this Section with the same legal force and effect as if executed by Receiving Party.

7. NON-DISPARAGEMENT.

Receiving Party agrees not to (and to use its best efforts to cause its immediate family members, including Receiving Party's spouse, not to) disparage or otherwise speak or write negatively, directly or indirectly, of Franchisor, its affiliates, any of Franchisor or its affiliates' directors, officers, employees, representatives or affiliates, current and former franchisees of Franchisor or its affiliates, the *Cha Redefine*® brand, the franchise system, any *Cha Redefine* store, any business using the *Cha Redefine*® trademarks, or any other brand concept operated or franchised by Franchisor and/or its affiliates.

8. TRADE SECRET ACT.

Notwithstanding any provisions in this Agreement or Franchisor policy applicable to the unauthorized use or disclosure of trade secrets, Receiving Party is hereby notified that, pursuant to the Defend Trade Secrets Act of 2016, 18 U.S.C. § 1833(b):

> An individual shall not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that: (a) is made (i) in confidence to a federal, state, or local government official, either directly or indirectly, or to an attorney; and (ii) solely for the purpose of reporting or investigating a suspected violation of law; or (b) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal. Further, an individual who files a lawsuit for retaliation by an employer for reporting a suspected violation of law may disclose the trade secret to the attorney of the individual and use the trade secret information in the court proceeding if the individual: (a) files any document containing the trade secret under seal; and (b) does not disclose the trade secret, except pursuant to court order.

9. WAIVER.

Failure to insist upon strict compliance with any of the terms, covenants or conditions hereof shall not be deemed a waiver of such term, covenant or condition, nor shall any waiver or relinquishment of any right or remedy hereunder at any one or more times be deemed a waiver or relinquishment of such right or remedy at any other time or times.

10. SEVERABILITY.

If one or more provision in this Agreement is found to be invalid, illegal, or otherwise unenforceable, all other provisions will remain unaffected and shall be deemed to be in full force and effect, and this Agreement will be modified in a manner so as to effect the original intent of the parties as closely as possible. If any covenant which restricts competitive activity is deemed unenforceable by virtue of its scope in terms of area, business activity prohibited, or length of time, but would be enforceable if modified, Receiving Party agrees that the covenant will be enforced to the fullest extent permissible under the laws and public policies applied in the jurisdiction whose law determines the covenant's validity.

11. RIGHTS OF PARTIES ARE CUMULATIVE.

The rights of the parties hereunder are cumulative and no exercise or enforcement by a party hereto of any right or remedy granted hereunder shall preclude the exercise or enforcement by them of any other right or remedy hereunder or which they are entitled by law to enforce.

12. BENEFICIARIES.

This Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective successors and assigns. This Agreement may be modified or waived only by an instrument signed by the parties. Receiving Party may not assign or transfer this Agreement or any rights or obligations hereunder. Franchisee may assign this Agreement only in connection with a permitted transfer of the Store in accordance with the Franchise Agreement, and any other assignment by Franchisee shall require the prior written consent of Franchisor. Franchisor, as an intended third-party beneficiary of this Agreement, may assign its rights hereunder at any time, in its sole discretion and without the consent of any other party.

13. EFFECTIVENESS.

This Agreement shall be enforceable and effective when signed by Receiving Party regardless of whether and when Franchisee signs or acknowledges this Agreement.

14. INJUNCTIVE RELIEF; DISPUTE RESOLUTION.

Receiving Party's execution of this Agreement is a material inducement to Franchisee and Franchisor providing Receiving Party with access to Confidential Information. Any breach of any provision hereof may cause irreparable harm and damage to Franchisee, Franchisor, and its affiliates. Franchisee, Franchisor, and its and their affiliates shall be entitled to injunctive relief to prevent any actual or threatened violation of any of the provisions in this Agreement, without the necessity of providing any bond or other security, and Receiving Party irrevocably consents to such relief. In addition, Franchisor and its affiliates may recover damages from Receiving Party for any loss caused by any violation of the provisions of this Agreement (including violations by third parties to which Receiving Party discloses Confidential Information).

This Agreement and the relationship between the parties hereto shall be construed and governed in accordance with the internal laws of the state of the Store, without regard to any conflict of laws principles.

EACH OF THE PARTIES HEREBY WAIVES ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY ACTION OR PROCEEDING RELATING TO THIS AGREEMENT, THE OBLIGATIONS HEREUNDER, OR ANY TRANSACTION RELATING HERETO. EACH PARTY REPRESENTS TO THE OTHER THAT THIS WAIVER IS KNOWINGLY, WILLINGLY, AND VOLUNTARILY GIVEN.

Notwithstanding anything to the contrary in this Agreement, Receiving Party may disclose the Confidential Information in response to any valid court order, subpoena, document discovery request, or regulation; *provided*, that prior written notice of such disclosure, unless otherwise prohibited by applicable law, is furnished to Franchisee and Franchisor as soon as practicable in order to afford Franchisee and Franchisor an opportunity to seek a protective order. If Franchisee or Franchisor is unable to obtain or does not seek a protective order and Receiving Party is legally compelled to disclose such information, (i) Receiving Party may disclose only such Confidential Information that is legally required to be disclosed; and (ii) Receiving Party will exercise reasonable efforts to ensure that any such information so disclosed will be accorded confidential treatment through protective orders, filings under seal, and/or other appropriate means. Disclosure pursuant to this Section will not change Receiving Party's confidentiality obligations as set forth in this Agreement with respect to the Confidential Information so disclosed.

In any action brought pursuant to this Agreement and/or to enforce this Agreement, the prevailing party shall be awarded its costs and expenses, including attorneys' fees, whether such fees are incurred before, during or after any trial or administrative proceeding or on appeal.

15. EXECUTION.

This Agreement may be executed in multiple counterparts, each of which shall be deemed to be an original and all of which taken together shall constitute one and the same agreement. This Agreement may be signed by electronic means.

[*Signature Page to Follow*]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the Effective Date.

RECEIVING PARTY(IES):

____

Name:____________________, an individual
Date: _________________________________

____

Name:____________________, an individual
Date: _________________________________

____

Name:____________________, an individual
Date: _________________________________

ATTACHMENT G
TO FRANCHISE AGREEMENT

STATE-SPECIFIC RIDERS

The various state-specific terms listed below will apply to this Agreement and modify the terms to this Agreement, if the transaction satisfies the jurisdictional requirements described below for any particular state law, and is not otherwise exempt from such law. The provisions of multiple states may apply.

The following provision applies if you or the franchise granted hereby are subject to the franchise laws in **California, New York, or Washington**:

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

NEW YORK

The following provisions are annexed to and form part of this Agreement if and only if, and in such case to the extent that: (a) an offer to sell is made in the State of New York; or (b) an offer to buy is accepted in the State of New York; or (c) if you are domiciled in the State of New York and your Store is or will be operated in the State of New York.

1. The following is added to the end of Sections 12.C(4), 12.E, 13.A(8), and 15.D of the Agreement:

> Notwithstanding the foregoing all rights enjoyed by you and any causes of action arising in your favor from the provision of Article 33 of the General Business Law of the State of New York and the regulations issued there under shall remain in force to the extent required by the non-waiver provisions of GBL Sections 687.4 and 687.4, as amended.

2. The following sentence is added to the end of Sections 17.G and 17.H of the Agreement:

> This Section shall not be considered a waiver of any right conferred upon you by the provisions of Article 33 of the New York State General Business Law as amended, and the regulations issued thereunder.

3. The following sentence is added to the end of Section 12.A of the Agreement:

> However, to the extent required by applicable law, no assignment will be made except to an assignee who, in our good faith judgment, is willing and financially able to assume our obligations under this Agreement.

4. The following sentence is added to the end of Section 14.B of the Agreement:

> You also may terminate this Agreement on any grounds available by law under the provisions of Article 33 of the General Business Law of the State of New York.

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

6. Receipts. Any sale made must be in compliance with § 683(8) of the Franchise Sale Act (N.Y. Gen. Bus. L. § 680 et seq.), which describes the time period a Franchise Disclosure Document (offering prospectus) must be provided to a prospective franchisee before a sale may be made. New York law requires a franchisor to provide the Franchise Disclosure Document at the earliest of the first personal meeting, ten (10) business days before the execution of the franchise or other agreement, or the payment of any consideration that relates to the franchise relationship.

WASHINGTON
ADDENDUM TO THE FRANCHISE AGREEMENT AND ALL RELATED AGREEMENTS

The following provisions are annexed to and form part of this Agreement if and only if, and in such case to the extent that: (a) our offer to sell you a franchise is directed into and received in the State of Washington; or (b) you are a resident of the State of Washington; or (c) your franchised business is or will be located or operated, wholly or partly, in the State of Washington.

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

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

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

4. General Release. A release or waiver of rights in the franchise agreement or related agreements purporting to bind the franchisee to waive compliance with any provision under the Washington Franchise Investment Protection Act or any rules or orders thereunder is void except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are

represented by independent counsel, in accordance with RCW 19.100.220(2). In addition, any such release or waiver executed in connection with a renewal or transfer of a franchise is likewise void except as provided for in RCW 19.100.220(2).

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

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

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

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

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

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

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

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

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

14. Noncompetition Covenants. Pursuant to RCW 49.62.020, a noncompetition covenant is void and unenforceable against an employee, including an employee of a franchisee, unless the employee's earnings from the party seeking enforcement, when annualized, exceed $100,000 per year (an amount that will be adjusted annually for inflation). In addition, a noncompetition covenant is void and

unenforceable against an independent contractor of a franchisee under RCW 49.62.030 unless the independent contractor's earnings from the party seeking enforcement, when annualized, exceed $250,000 per year (an amount that will be adjusted annually for inflation). As a result, any provision contained in the franchise agreement or elsewhere that conflicts with these limitations is void and unenforceable in Washington.

15. Non-solicitation Agreements. RCW 49.62.060 prohibits a franchisor from restricting, restraining, or prohibiting a franchisee from (i) soliciting or hiring any employee of a franchisee of the same franchisor or (ii) soliciting or hiring any employee of the franchisor. As a result, any such provisions contained in the franchise agreement or elsewhere are void and unenforceable in Washington.

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

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

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

19. Fee Deferral. Pursuant to an order of the Director of the Department of Financial Institutions, we will defer collection of all initial payments you owe us until we have completed all of our pre-opening obligations to you under this Agreement and you begin operating your Store.

20. Lost Revenue Damages. As required by the Director of the Department of Financials Institutions, we hereby agree not to collect Lost Revenue Damages from you in an amount greater than the net present value of the Royalties and Brand Fund Contributions that would have become due had this Agreement not been terminated, from the date of termination to the earlier of: (i) 2 years following the date of termination; or (ii) the scheduled expiration of the Term.

[*Signature Page to Follow*]

IN WITNESS WHEREOF, the parties have executed and delivered this State-Specific Rider to be effective as of the effective date of the Franchise Agreement.

CHA REDEFINE FRANCHISES LLC,
a California limited liability company

Sign:______________________________
Name:_____________________________
Title:______________________________

FRANCHISEE

(IF YOU ARE A CORPORATION, LIMITED LIABILITY COMPANY, OR PARTNERSHIP):

____
Entity Name

____
Signature

Name:____________________________

Title:_____________________________

DATED:_________________________

FRANCHISEE

(IF YOU ARE AN INDIVIDUAL AND NOT AN ENTITY):

____
Signature

____
Print Name

DATED:_________________________

EXHIBIT B-2

REPRESENTATIONS STATEMENT

REPRESENTATIONS STATEMENT

DO NOT SIGN THIS QUESTIONNAIRE IF YOU ARE LOCATED, OR YOUR STORE WILL BE LOCATED IN CALIFORNIA, NEW YORK, OR WASHINGTON.

The purpose of this Statement is to demonstrate to CHA REDEFINE FRANCHISES LLC. ("Franchisor") that the person(s) signing below ("I," "me" or "my"), whether acting individually or on behalf of any legal entity established to acquire the franchise rights, (a) fully understands that the purchase of a Cha Redefine franchise rights is a significant long-term commitment, complete with its associated risks, and (b) is not relying on any statements, representations, promises or assurances that are not specifically set forth in Franchisor's Franchise Disclosure Document (the "FDD") in deciding to purchase the franchise. In that regard, I represent to Franchisor and acknowledge that:

I understand that buying a franchise is not a guarantee of success. Purchasing or establishing any business is risky, and the success or failure of the franchise is subject to many variables such as my skills and abilities (and those of my partners, officers, employees), the time my associates and I devote to the business, competition, interest rates, the economy, inflation, operation costs, location, lease terms, the market place generally and other economic and business factors. I am aware of and am willing to undertake these business risks. I understand that the success or failure of my business will depend primarily upon my efforts and not those of Franchisor.	INITIAL:
I received a copy of the FDD at least 14 calendar days before I executed a Franchise Agreement or paid Franchisor or its affiliates any fees. I understand that all of my rights and responsibilities and those of Franchisor in connection with the franchise are set forth in these agreements and only in these agreements. I have had the opportunity to personally and carefully review these documents and have, in fact, done so. I have been advised to have professionals (such as lawyers and accountants) review the documents for me and to have them help me understand these documents. I have also been advised to consult with other franchisees regarding the risks associated with the purchase of the franchise.	INITIAL:
Neither the Franchisor nor any of its affiliates, officers, employees or agents (including any franchise broker) has made a statement, promise or assurance to me concerning any matter related to the franchise (including those regarding advertising, marketing, training, support service or assistance provided by Franchisor) that is contrary to, or different from, the information contained in the FDD.	INITIAL:
My decision to purchase the franchise has not been influenced by any oral representations, assurances, warranties, guarantees or promises whatsoever made by the Franchisor or any of its officers, employees or agents (including any franchise broker), including as to the likelihood of success of the franchise.	INITIAL:
I have made my own independent determination that I have the capital necessary to fund the franchised business and my living expenses, particularly during the start-up phase.	INITIAL:

PLEASE READ THE FOLLOWING QUESTION CAREFULLY. THEN SELECT YES OR NO AND PLACE YOUR INITIALS WHERE INDICATED. Have you received any information from the Franchisor or any of its affiliates, officers, employees or agents (including any franchise broker) concerning actual, average, projected or forecasted sales, revenues, income, profits or earnings of the franchised business (including any statement, promise or assurance concerning the likelihood of success) other than information contained in the FDD? ☐ Yes ☐ No (Initial Here: ____) If you selected "Yes," please describe the information you received on the lines below: ____ ____.	INITIAL:

FRANCHISE OWNER

(IF YOU ARE A CORPORATION, LIMITED LIABILITY COMPANY, OR PARTNERSHIP):

____
Entity Name

Sign:______________________________
Name:_____________________________
Title:______________________________

DATED:____________________________

FRANCHISE OWNER

(IF YOU ARE AN INDIVIDUAL):

____
Individual Name

Sign:______________________________

DATED:__________________________

EXHIBIT B-3

SAMPLE GENERAL RELEASE

CHA REDEFINE FRANCHISES LLC

GENERAL RELEASE AGREEMENT

CHA REDEFINE FRANCHISES LLC ("**we**," "**us**," or "**our**") and_________________________________ ("**you**" or "**your**") are currently are parties to a certain franchise agreement dated ___ __________________, 20___ (the "**Agreement**"). You have asked us to take the following action or to agree to the following request:____ We have the right under the Agreement to obtain a general release from you and your owners as a condition of taking this action or agreeing to this request. Therefore, we are willing to take the action or agree to the request specified above if you and your owners give us the release and covenant not to sue provided below in this document. You and your owners are willing to give us the release and covenant not to sue provided below as partial consideration for our willingness to take the action or agree to the request described above.

You and your owners, jointly and severally, on behalf of themselves and their spouses and immediate family members, and each such foregoing person's or entity's respective affiliates, employees, owners, officers, directors, successors, assigns, spouses and immediate family members (the "**Releasing Parties**") hereby fully and forever unconditionally release and discharge us and our current and former affiliates, parents, subsidiaries, franchisees, area developers, owners, agents, insurers and our and their respective affiliates, employees, officers, directors, successors, assigns, owners, guarantors and other representatives (the "**Franchisor Parties**"), of and from any and all claims, obligations, debts, proceedings, demands, causes of action, rights to terminate and rescind, liabilities, losses, damages, and rights of every kind and nature whatsoever, and known or unknown, suspected or unsuspected, whether at law or in equity, which any of them has, had, or may have against any of the Franchisor Parties, from the beginning of time to the date of this document (together, **Claims**"), including any and all Claims in any way arising out of or relating to the Agreement or the relationship of the Releasing Parties with any of the Franchisor Parties. You and your owners, on your own behalf and the other Releasing Parties, further covenant not to sue any of the Franchisor Parties on any of the Claims released by this paragraph and represent that you have not assigned any of the Claims released by this paragraph to any individual or entity.

IF THE FRANCHISED BUSINESS YOU OPERATE UNDER THE FRANCHISE AGREEMENT IS LOCATED IN CALIFORNIA OR IF ANY OF THE RELEASING PARTIES ARE RESIDENTS OF CALIFORNIA, THE FOLLOWING SHALL APPLY:

SECTION 1542 ACKNOWLEDGMENT. IT IS YOUR INTENTION, ON YOUR OWN BEHALF AND ON BEHALF OF THE RELEASING PARTIES, IN EXECUTING THIS RELEASE THAT THIS INSTRUMENT BE AND IS A GENERAL RELEASE WHICH SHALL BE EFFECTIVE AS A BAR TO EACH AND EVERY CLAIM, DEMAND, OR CAUSE OF ACTION RELEASED BY YOU OR THE RELEASING PARTIES. YOU RECOGNIZE THAT YOU OR THE RELEASING PARTIES MAY HAVE SOME CLAIM, DEMAND, OR CAUSE OF ACTION AGAINST THE COCO FRESH PARTIES OF WHICH YOU, HE, SHE, OR IT IS TOTALLY UNAWARE AND UNSUSPECTING, WHICH YOU, HE, SHE, OR IT IS GIVING UP BY EXECUTING THIS RELEASE. IT IS YOUR INTENTION, ON YOUR OWN BEHALF AND ON

BEHALF OF THE RELEASING PARTIES, IN EXECUTING THIS INSTRUMENT THAT IT WILL DEPRIVE YOU, HIM, HER, OR IT OF EACH SUCH CLAIM, DEMAND, OR CAUSE OF ACTION AND PREVENT YOU, HIM, HER, OR IT FROM ASSERTING IT AGAINST THE COCO FRESH PARTIES. IN FURTHERANCE OF THIS INTENTION, YOU, ON YOUR OWN BEHALF AND ON BEHALF OF THE RELEASING PARTIES, EXPRESSLY WAIVE ANY RIGHTS OR BENEFITS CONFERRED BY THE PROVISIONS OF SECTION 1542 OF THE CALIFORNIA CIVIL CODE, WHICH PROVIDES AS FOLLOWS:

"A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY."

YOU ACKNOWLEDGE AND REPRESENT THAT YOU HAVE CONSULTED WITH LEGAL COUNSEL BEFORE EXECUTING THIS RELEASE AND THAT YOU UNDERSTAND ITS MEANING, INCLUDING THE EFFECT OF SECTION 1542 OF THE CALIFORNIA CIVIL CODE, AND EXPRESSLY CONSENT THAT THIS RELEASE SHALL BE GIVEN FULL FORCE AND EFFECT ACCORDING TO EACH AND ALL OF ITS EXPRESS TERMS AND PROVISIONS, INCLUDING, WITHOUT LIMITATION, THOSE RELATING TO THE RELEASE OF UNKNOWN AND UNSUSPECTED CLAIMS, DEMANDS, AND CAUSES OF ACTION.

For Washington franchisees, the general release form does not apply to claims arising under the Franchise Investment Protection Act, Chapter 19.100 RCW, or the rules adopted thereunder.

[*Signature Page Follows*]

IN WITNESS WHEREOF, the parties have executed and delivered this document on the date stated below.

CHA REDEFINE FRANCHISES LLC
a California limited liability company

Sign:________________________________
Name:_______________________________
Title:________________________________

DATED:_____________________________

FRANCHISE OWNER

(IF YOU ARE A CORPORATION, LIMITED LIABILITY COMPANY, OR PARTNERSHIP):

____
Entity Name

Sign:________________________________
Name:_______________________________
Title:________________________________

DATED:_______________________________

FRANCHISE OWNER

(IF YOU ARE AN INDIVIDUAL):

____
Individual Name

Sign:________________________________

DATED:____________________________

EXHIBIT C

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EXHIBIT D

LIST OF CURRENT AND FORMER FRANCHISEES

FRANCHISED OUTLETS
AS OF DECEMBER 31, 2025

	Franchisee	Address	City	State	Zip	Phone Number
1	Xenlife, Inc.	3465 West 6th Street, Suites 120-140	Los Angeles	California	90020	(213) 315-5104
2	H2O Ventures, LLC	1930 West Henderson Road	Columbus	Ohio	43220	(614) 525-0153

FRANCHISE AGREEMENTS SIGNED BUT OUTLETS NOT OPENED
AS OF DECEMBER 31, 2025

	Franchisee	City	State	Telephone
1	TeaMoMo9889 LLC	Houston	Texas	(678) 814-3557

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

FRANCHISEES WHO HAVE LEFT THE SYSTEM
DURING THE FISCAL YEAR ENDED DECEMBER 31, 2025

None.

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

EXHIBIT E

FINANCIAL STATEMENTS

Cha Redefine Franchises LLC

(a wholly owned subsidiary of CHR Holding Group, Inc.)

Financial Report
December 31, 2025

Cha Redefine Franchises LLC

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Plante & Moran, PLLC
10 South Riverside Plaza
9th floor
Chicago, IL 60606
Tel: 312.207.1040
Fax: 312.207.1066
plantemoran.com

Independent Auditor's Report

To the Member
Cha Redefine Franchises LLC

Opinion

We have audited the financial statements of Cha Redefine Franchises LLC (the "Company"), which comprise the balance sheet as of December 31, 2025 and 2024 and the related statements of operations, member's equity, and cash flows for the year ended December 31, 2025 and the period from August 26, 2024 (commencement of operations) through December 31, 2024, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2025 and 2024 and the results of its operations and its cash flows for the year ended December 31, 2025 and the period from August 26, 2024 (commencement of operations) through December 31, 2024 in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

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

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

Auditor’s Responsibilities for the Audits of the Financial Statements

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

To the Member
Cha Redefine Franchises LLC

In performing audits in accordance with GAAS, we:

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

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

Plante & Moran, PLLC

March 28, 2026

Cha Redefine Franchises LLC

Balance Sheet

December 31, 2025 and 2024

	2025	2024
Assets		
Assets		
Cash	$ 106,736	$ 101,258
Accounts receivable - Royalty and advertising	7,533	-
Total assets	**$ 114,269**	**$ 101,258**
Liabilities and Member's Equity		
Current Liabilities		
Accounts payable	$ 9,328	$ 26,839
Current portion of deferred revenue	4,750	-
Total current liabilities	14,078	26,839
Deferred Revenue - Net of current portion	82,500	-
Total liabilities	96,578	26,839
Member's Equity	17,691	74,419
Total liabilities and member's equity	**$ 114,269**	**$ 101,258**

Statement of Operations

		Year Ended December 31, 2025		Period from August 26, 2024 (Commencement of Operations) through December 31, 2024
Revenue				
Franchise fees	$	2,750	$	-
Royalty revenue		29,988		-
Advertising revenue		5,998		-
Total revenue		38,736		-
Operating Expenses		117,264		52,581
Net Loss	**$**	**(78,528)**	**$**	**(52,581)**

Cha Redefine Franchises LLC

Statement of Member's Equity

Balance - August 26, 2024 (commencement of operations)	$ -
Net loss	(52,581)
Member's contributions	180,000
Member's distributions	(53,000)
Balance - December 31, 2024	74,419
Net loss	(78,528)
Member's contributions	140,000
Member's distributions	(118,200)
Balance - December 31, 2025	**$ 17,691**

See notes to financial statements.

Statement of Cash Flows

	Year Ended December 31, 2025	Period from August 26, 2024 (Commencement of Operations) through December 31, 2024
Cash Flows from Operating Activities		
Net loss	$ (78,528)	$ (52,581)
Adjustments to reconcile net loss to net cash from operating activities - Changes in operating assets and liabilities that (used) provided cash:		
Accounts receivable	(7,533)	-
Accounts payable	(17,511)	26,839
Deferred revenue	87,250	-
Net cash used in operating activities	(16,322)	(25,742)
Cash Flows from Financing Activities		
Distributions to members	(118,200)	(53,000)
Contributions from members	140,000	180,000
Net cash provided by financing activities	21,800	127,000
Net Increase in Cash	5,478	101,258
Cash - Beginning of year	101,258	-
Cash - End of year	**$ 106,736**	**$ 101,258**

Note 1 - Nature of Business

Cha Redefine Franchises LLC (a wholly owned subsidiary of CHR Holding Group, Inc.) (the "Company") is a limited liability company organized in the state of California. The Company is engaged in franchising store locations that offer customers specialty crafted tea and coffee. The Company operates under the name Cha Redefine and related trademarks (the "Marks").

As of December 31, 2025 and 2024, there were two and zero franchise locations in operation, respectively.

Note 2 - Significant Accounting Policies

Basis of Presentation

The financial statements of the Company have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP). The preparation of the financial statements in conformity with GAAP requires management to make estimates and assumptions that affect amounts reported in the financial statements. Actual results could differ from those estimates.

Adoption of New Accounting Pronouncement

In July 2025, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2025-05, *Financial Instruments - Credit Losses (Topic 326): Measurement of Credit Losses for Accounts Receivable and Contract Assets*. The ASU introduced a practical expedient for estimating expected credit losses on current accounts receivable arising from transactions accounted for under ASC 606, *Revenue from Contracts with Customers*. Under the practical expedient, the Company assumes that current conditions as of the balance sheet date will not change for the remaining life of the asset. The standard also permits an accounting policy election to consider collection activity after the balance sheet date when estimating credit losses.

The Company adopted the new guidance on January 1, 2025 on a prospective basis. The adoption of this guidance did not have a significant impact on the consolidated financial statements.

Accounts Receivable

Accounts receivable consist of royalty and advertising fees due from franchisees. Accounts receivable are stated at invoice amounts. An allowance for expected credit losses is considered by the Company on an ongoing basis. The Company has elected the practical expedient to assume that the current conditions as of the balance sheet date will not change for the remaining life of the asset. At December 31, 2025 and 2024, the Company did not record an allowance for credit losses, as the Company determined that there is minimal risk of credit losses based on historical losses and current conditions and that any such credit losses would be insignificant to these financial statements. Accordingly, for the year and period ended December 31, 2025 and 2024, there were no write-offs of accounts receivable. As of December 31, 2025 and 2024, accounts receivable were $7,533 and $0, respectively.

Revenue Recognition

The Company's revenue consists of franchise, royalty, technology, support, and advertising fees. The Company sells individual franchisees the right to operate a Cha Redefine store within a defined territory using the franchise brand name. The initial nonrefundable franchise fees are recognized as revenue over the term of the franchise agreement, typically ten years, or upon termination of such agreement.

The Company has obligations to provide franchisees with the franchise rights to operate a Cha Redefine store. The Company has concluded that this represents a single performance obligation. Therefore, the initial franchise fee for each agreement is allocated to each individual franchise and recognized over the term of the respective franchise agreement beginning on the date the store opened.

Note 2 - Significant Accounting Policies (Continued)

Payment Terms

Initial franchise fees are typically paid when a franchise agreement is executed and are nonrefundable. In certain instances, at the Company's discretion, the initial franchise fee is paid in installments on a monthly basis based on a percentage of franchise gross sales. These fees are collected prior to the satisfaction of the Company's performance obligation, resulting in the Company recognizing deferred revenue contract liabilities. Royalty and advertising fees are paid on a monthly basis based upon a percentage of franchise gross sales. Technology fees are paid on a monthly basis based upon a fixed amount. Deferred franchise fees as of December 31, 2025 and 2024 were $87,250 and $0, respectively.

Allocating the Transaction Price

The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for providing franchisees the franchise rights to open and operate a store. To determine the transaction price, the Company considers its customary business practices and the terms of the underlying agreement. For the purpose of determining transaction prices, the Company assumes performance obligations will be satisfied as promised in accordance with franchise agreements and that the agreements will not be canceled or modified.

The Company's franchise agreements with franchisees have transaction prices that contain a fixed and variable component. Variable consideration includes revenue related to royalties and advertising, as the transaction price is based on the franchisees' sales. The variable consideration is recognized based on the actual amounts earned each month.

Advertising Expense

Advertising expense is charged to income during the period in which it is incurred. Advertising expense for the year ended December 31, 2025 was $39,733. There was no advertising expense incurred for the period ended December 31, 2024.

Income Taxes

The Company is treated as a partnership for federal income tax purposes. Consequently, federal income taxes are not payable or provided for by the Company. The member is taxed individually on its pro rata share of the Company’s earnings. The Company’s net income or loss is allocated to the member in accordance with the Company’s operating agreement.

Subsequent Events

The financial statements and related disclosures include evaluation of events up through and including March 28, 2026, which is the date the financial statements were available to be issued.

Note 3 - Member's Equity

The Company was formed through a contribution of equity from its member in the amount of $100,000. During 2025 and 2024, the Company had additional member contributions of $140,000 and $80,000, respectively, and member distributions of $118,200 and $53,000, respectively.

EXHIBIT F

STATE ADDENDA

ADDITIONAL DISCLOSURES FOR THE FRANCHISE DISCLOSURE DOCUMENT OF CHA REDEFINE FRANCHISES LLC

The following are additional disclosures for the Disclosure Document of Cha Redefine Franchises LLC required by various state franchise laws. Each provision of these additional disclosures will only apply to you if the applicable state franchise registration and disclosure law applies to you.

FOR THE FOLLOWING STATES: CALIFORNIA, NEW YORK, OR WASHINGTON

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

CALIFORNIA

1. 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.

2. BEFORE THE FRANCHISOR CAN ASK YOU TO MATERIALLY MODIFY YOUR EXISTING FRANCHISE AGREEMENT, SECTION 31125 OF THE CALIFORNIA CORPORATIONS CODE REQUIRES THE FRANCHISOR TO FILE A MATERIAL MODIFICATION APPLICATION WITH THE DEPARTMENT THAT INCLUDES A DISCLOSURE DOCUMENT SHOWING THE EXISTING TERMS AND THE PROPOSED NEW TERMS OF YOUR FRANCHISE AGREEMENT. ONCE THE APPLICATION IS REGISTERED, THE FRANCHISOR MUST PROVIDE YOU WITH THAT DISCLOSURE DOCUMENT WITH AN EXPLANATION THAT THE CHANGES ARE VOLUNTARY.

3. OUR WEBSITE, www.charedefine.com, HAS NOT BEEN REVIEWED OR APPROVED BY THE CALIFORNIA DEPARTMENT OF FINANCIAL INNOVATION & PROTECTION. ANY COMPLAINTS CONCERNING THE CONTENT OF THE WEBSITE MAY BE DIRECTED TO THE CALIFORNIA DEPARTMENT OF FINANCIAL INNOVATION & PROTECTION AT www.dfpi.ca.gov.

4. The following is added at the end of Item 1:

Franchisees located in California are required to comply with all applicable California labor laws, including labor laws that may apply to certain fast food restaurant industry employees. Specifically, California franchisees operating certain fast food restaurants must comply with Part 4.5.5 (commencing with Section 1474) of Division 2 of the California Labor Code (codifying Assembly Bill No. 1228) which established the California Fast Food Council ("CFFC") which has the authority to increase the hourly minimum wage subject to certain limitations, and to set forth requirements, limitations, and procedures for adopting and reviewing fast food restaurant health, safety, and employment standards in California.

5. The following is added at the end of Item 3:

Neither we, our predecessor or affiliates nor any person in Item 2 of the Disclosure Document is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities Exchange Act of 1934, 15 U.S.C.A. Sections 78a et seq., suspending or expelling such persons from membership in that association or exchange.

6. The following is added at the end of Item 6:

Any interest rate charged to a California franchisee shall comply with the California Constitution. The interest rate shall not exceed either (a) 10% annually or (b) 5% annually plus the prevailing interest rate charged to banks by the Federal Reserve Bank of San Francisco, whichever is higher.

7. The following paragraphs are added at the end of Item 7:

Compliance with the bill law may increase your expenses (including increased wages) and the amount of your initial investment. You may review the Department of Industrial Relations website at Fast Food Minimum Wage Frequently Asked Questions (ca.gov) for further information and consult with an attorney specializing in labor law in determining any additional costs.

8. The following paragraphs are added at the end of Item 17:

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

The franchise agreement contains a covenant not to compete which extends beyond the termination of the franchise. A contract that restrains a former franchisee from engaging in a lawful trade or business is to that extent void under California Business and Professions Code Section 16600.

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

Nothing in the Franchise Agreement will abrogate or reduce any of your rights under the California Franchise Investment Law and the California Franchise Relationship Act, or your rights to any procedure, forum or remedies that such laws provide.

You must sign a general release if you renew or transfer your franchise. California Corporations Code §31512 voids a waiver of your rights under the Franchise Investment Law (California Corporations Code §§31000 through 31516). Business and Professions Code

§20010 voids a waiver of your rights under the Franchise Relations Act (Business and Professions Code §§20000 through 20043).

The Franchise Agreement reserves the right for the franchisor to require that franchisees comply with maximum and minimum prices it sets for goods and services. The Antitrust Law Section of the Office of the California Attorney General views maximum price agreements as per se violations of the California's Cartwright Act (Cal. Bus. and Prof. Code §§ 16700 to 16770). Under California law, an agreement between a seller and a buyer regarding the price at which the buyer can resell a product (known as vertical price-fixing or resale price maintenance) is illegal. Therefore, requirements on franchisees to sell goods or services at specific prices set by the franchisor may be unenforceable.

The franchise agreement contains a liquidated damages clause. Under California Civil Code Section 1671, certain liquidated damages clauses are unenforceable.

The franchise agreement requires binding arbitration. The arbitration will occur in Temple City, California with the costs being borne by the non-prevailing party. Prospective franchisees are encouraged to consult private legal counsel to determine the applicability of California and federal laws (such as Business and Professions Code Section 20040.5, Code of Civil Procedure Section 1281, and the Federal Arbitration Act) to any provisions of a franchise agreement restricting venue to a forum outside the State of California.

9. The following is added at the end of Item 19:

The financial performance representation does not reflect the costs of sales, operating expenses, or other costs or expenses that must be deducted from the gross revenue or gross sales figures to obtain your net income or profit. You should conduct an independent investigation of the costs and expenses you will incur in operating your franchised business. Franchisees or former franchisees, listed in the Franchise Disclosure Document, may be one source of this information.

10. Section 31512.1 of the California Corporations Code requires that any provision of the Franchise Agreement, Disclosure Document, acknowledgement, questionnaire, or other writing, including any exhibit thereto, disclaiming or denying any of the following shall be deemed contrary to public policy and shall be void and unenforceable: (a) representations made by the franchisor or its personnel or agents to a prospective franchisee; (b) reliance by a franchisee on any representations made by the franchisor or its personnel or agents; (c) reliance by a franchisee on the franchise disclosure document, including any exhibit thereto; or (d) violations of any provision of this division.

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

NEW YORK

1. The following information is added to the cover page of the Franchise Disclosure Document:

INFORMATION COMPARING FRANCHISORS IS AVAILABLE. CALL THE STATE ADMINISTRATORS LISTED IN EXHIBIT A OR YOUR PUBLIC LIBRARY FOR SOURCES OF INFORMATION. REGISTRATION OF THIS FRANCHISE BY NEW YORK STATE DOES NOT MEAN THAT NEW YORK STATE RECOMMENDS IT OR HAS VERIFIED THE INFORMATION IN THIS DISCLOSURE DOCUMENT. IF YOU LEARN THAT ANYTHING IN THE DISCLOSURE DOCUMENT IS UNTRUE, CONTACT THE FEDERAL TRADE COMMISSION AND NEW YORK STATE DEPARTMENT OF LAW, BUREAU OF INVESTOR PROTECTION AND SECURITIES, 28 LIBERTY STREET, 21ST FLOOR, NEW YORK, NEW YORK 10005.

WE MAY, IF WE CHOOSE, NEGOTIATE WITH YOU ABOUT ITEMS COVERED IN THE DISCLOSURE DOCUMENT. HOWEVER, THE FRANCHISOR CANNOT USE THE NEGOTIATING PROCESS TO PREVAIL UPON A PROSPECTIVE DEVELOPER OR FRANCHISEE TO ACCEPT TERMS WHICH ARE LESS FAVORABLE THAN THOSE SET FORTH IN THIS DISCLOSURE DOCUMENT.

2. The following is added at the end of Item 3:

With regard to us, our parent, predecessor or affiliate, the persons identified in Item 2, or an affiliate offering franchises under our principal trademark:

A. No such party has an administrative, criminal, or civil action pending against that person alleging: a felony, a violation of a franchise, antitrust, or securities law, fraud, embezzlement, fraudulent conversion, misappropriation of property, unfair or deceptive practices or comparable civil or misdemeanor allegations.

B. No such party has pending actions, other than routine litigation incidental to the business, which are significant in the context of the number of franchisees and the size, nature or financial condition of the franchise system or its business operations.

C. No such party has been convicted of a felony or pleaded nolo contendere to a felony charge or, within the 10 year period immediately preceding the application for registration, has been convicted of or pleaded nolo contendere to a misdemeanor charge or has been the subject of a civil action alleging: violation of a franchise, antitrust, or securities law; fraud; embezzlement; fraudulent conversion; misappropriation of property; or unfair or deceptive practices; or comparable allegations.

D. No such party is subject to a currently effective injunctive or restrictive order or decree relating to the franchise, or under a federal, State, or Canadian franchise, securities, antitrust, trade regulation or trade practice law, resulting from a concluded or pending action or proceeding brought by a public agency; or is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities and Exchange Act of 1934, suspending or expelling such person from membership in such association or exchange; or is subject to a currently effective injunctive or restrictive order relating to any other business activity as a result of an action brought by a public agency or department, including, without limitation, actions affecting a license as a real estate broker or sales agent.

3. The following is added to the end of Item 4:

Neither we, our affiliate, predecessor, officers, or general partners or any other individual who will have management responsibility relating to the sale or operation of franchises offered by this Disclosure Document have, during the 10-year period immediately preceding the date of the Disclosure Document: (a) filed as debtor (or had filed against it) a petition to start an action under the U.S. Bankruptcy Code; (b) obtained a discharge of its debts under the U.S. Bankruptcy Code; or (c) was a principal officer of a company or a general partner in a partnership that either filed as a debtor (or had filed against it) a petition to start an action under the U.S. Bankruptcy Code or that obtained a discharge of its debts under the U.S. Bankruptcy Code during or within 1 year after that officer or general partner of the franchisor held this position in the company or partnership.

4. The following is added to the end of Item 5:

We apply the initial franchise fee to defray our costs for site review and approval, sales, legal compliance, salary, and general administrative expenses and profits.

5. The following is added to the end of the "Summary" sections of Item 17(c), titled "Requirements for a 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 a franchisee": "You may terminate the agreement on any grounds available by law."

7. The following is added to Item 17(j):

However, to the extent required by applicable law, no assignment will be made except to an assignee who, in our good faith judgment, is willing and financially able to assume our obligations under the Franchise Agreement.

8. The following is added to the end of the "Summary" sections of Item 17(v), titled "Choice of forum," and Item 17(w), titled "Choice of law":

The foregoing choice of law should not be considered a waiver of any right conferred upon the franchisor or the franchisee by Article 33 of the General Business Law of the State of New York.

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

10. Receipts. Any sale made must be in compliance with § 683(8) of the Franchise Sale Act (N.Y. Gen. Bus. L. § 680 et seq.), which describes the time period a Franchise Disclosure Document (offering prospectus) must be provided to a prospective franchisee before a sale may be made. New York law requires a franchisor to provide the Franchise Disclosure Document at the earliest of the first personal meeting, ten (10) business days before the execution of the franchise or other agreement, or the payment of any consideration that relates to the franchise relationship.

WASHINGTON

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

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

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

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

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

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

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

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

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

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

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

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

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

14. Noncompetition Covenants. Pursuant to RCW 49.62.020, a noncompetition covenant is void and unenforceable against an employee, including an employee of a franchisee, unless the employee's earnings from the party seeking enforcement, when annualized, exceed $100,000 per year (an amount that will be adjusted annually for inflation). In addition, a noncompetition covenant is void and unenforceable against an independent contractor of a franchisee under RCW 49.62.030 unless the independent contractor's earnings from the party seeking enforcement, when annualized, exceed $250,000 per year (an

amount that will be adjusted annually for inflation). As a result, any provision contained in the franchise agreement or elsewhere that conflicts with these limitations is void and unenforceable in Washington.

15. Non-solicitation Agreements. RCW 49.62.060 prohibits a franchisor from restricting, restraining, or prohibiting a franchisee from (i) soliciting or hiring any employee of a franchisee of the same franchisor or (ii) soliciting or hiring any employee of the franchisor. As a result, any such provisions contained in the franchise agreement or elsewhere are void and unenforceable in Washington.

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

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

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

19. Fee Deferral: Pursuant to an order of the Director of the Department of Financial Institutions, we will defer collection of all initial payments you owe us until we have completed all of our pre-opening obligations to you under the Franchise Agreement and you begin operating your Store.

NEW YORK REPRESENTATIONS PAGE

FRANCHISOR REPRESENTS THAT THIS FRANCHISE DISCLOSURE DOCUMENT DOES NOT KNOWINGLY OMIT ANY MATERIAL FACT OR CONTAIN ANY UNTRUE STATEMENT OF A MATERIAL FACT.

State Effective Dates

The following states have franchise laws that require that the Franchise Disclosure Document be registered or filed with the state, or be exempt from registration: California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington, and Wisconsin.

This document is effective and may be used in the following states, where the document is filed, registered or exempt from registration, as of the Effective Date stated below:

State	Effective Date
California	Pending
Hawaii	Not Registered
Illinois	Not Registered
Indiana	Not Registered
Maryland	Not Registered
Michigan	Not Registered
Minnesota	Not Registered
New York	Pending
North Dakota	Not Registered
Rhode Island	Not Registered
South Dakota	Not Registered
Virginia	Not Registered
Washington	Pending
Wisconsin	Not Registered

Other states may require registration, filing, or exemption of a franchise under other laws, such as those that regulate the offer and sale of business opportunities or seller-assisted marketing plans.

EXHIBIT G

RECEIPTS

ITEM 23
RECEIPTS

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 Cha Redefine Franchises LLC 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. Under Iowa law, Cha Redefine Franchises LLC must give you this Disclosure Document at the earlier of the first personal meeting or 14 calendar days before you sign an agreement with, or make a payment to, franchisor or an affiliate in connection with the proposed franchise sale. Under New York law, we must provide this disclosure document at the earlier of the first personal meeting or 10 business days before you sign a binding agreement with, or make a payment to, us or an affiliate in connection with the proposed franchise sale.

If Cha Redefine Franchises LLC does not deliver this Disclosure Document on time or if it contains a false or misleading statement, or a material omission, a violation of federal and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and the appropriate state agency identified on Exhibit A.

Issuance date: March 31, 2026

The Franchisor is Cha Redefine Franchises LLC, located at 9083 Las Tunas Drive, Temple City, California 91780. Its telephone number is (646) 244-8778. The franchise seller who offered you a Cha Redefine franchise is:

❑ Jim Lan Cha Redefine Franchises LLC 9083 Las Tunas Drive Temple City, CA 91780	❑ Audrey Huang Cha Redefine Franchises LLC 9083 Las Tunas Drive Temple City, CA 91780	❑ ___________________ Cha Redefine Franchises LLC 9083 Las Tunas Drive Temple City, CA 91780

I received a disclosure document dated March 31, 2026, that included the following Exhibits:

Exhibit A – State Administrators/Agents for Service of Process
Exhibit B-1 – Franchise Agreement
Exhibit B-2 – Representations Statement
Exhibit B-3 – Sample General Release
Exhibit C – Table of Contents to Brand Manual
Exhibit D – List of Current and Former Franchisees
Exhibit E – Financial Statements
Exhibit F – State Addenda to Disclosure Document
Exhibit G – Receipts

PROSPECTIVE FRANCHISEE:

If a business entity:

____

Name of Business Entity

By: ________________________________

Its: ________________________________

(Print Name): _______________________

Dated: _____________________________

If an individual:

____

(Print Name): _______________________

Dated: _____________________________

Please sign this copy of the receipt, print the date on which you received this Disclosure Document and return it, by mail or e-mail, to:

Cha Redefine Franchises LLC
9083 Las Tunas Drive, Temple City, California 91780
franchise@charedefine.com.

ITEM 23
RECEIPTS

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❑ Jim Lan	❑ Audrey Huang	❑ __________________
Cha Redefine Franchises LLC	Cha Redefine Franchises LLC	Cha Redefine Franchises LLC
9083 Las Tunas Drive	9083 Las Tunas Drive	9083 Las Tunas Drive
Temple City, CA 91780	Temple City, CA 91780	Temple City, CA 91780

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PROSPECTIVE FRANCHISEE:

If a business entity:

____

Name of Business Entity

By: ______________________________

Its: ______________________________

(Print Name): ______________________

Dated: ____________________________

If an individual:

____

(Print Name): ______________________________

Dated: ____________________________________

You may keep this copy of the receipt for your own records.