FRANCHISE DISCLOSURE DOCUMENT

Simply Southern Restaurant Group, LLC
An Alabama limited liability company
2839 Paces Ferry Road SE, Ste. 500
Atlanta, Georgia 30339
(470) 607-5550
www.chickensaladchick.com
franchising@chickensaladchick.com

The franchise offered is for a Chicken Salad Chick restaurant, which is a fast-casual restaurant featuring a limited menu of specialty chicken salads, gourmet side items, and soups and emphasizing prompt, courteous service in a clean, wholesome, friendly, and genuine atmosphere.

The total investment necessary to begin operation of a Chicken Salad Chick restaurant is $744,500 to $960,500 for a restaurant developed in a non-Drive-Thru location and $764,500 to $990,500 for a restaurant developed in a Drive-Thru location. This includes $60,000 that must be paid to the franchisor or our Affiliate. If you want development rights for multiple restaurants and sign an Area Development Agreement (for a minimum of 2 restaurants), you must pay the initial franchise fee for the first location and a non-refundable development fee of $20,000 for each additional Chicken Salad Chick restaurant you commit to develop. The remaining $25,000 of the initial franchise fee for subsequent locations is paid to us (together with a $10,000 grand opening marketing fee paid to our affiliate) when you sign the Franchise Agreement for each subsequent location. The total investment necessary to begin operation of a franchised Chicken Salad Chick restaurant under an Area Development Agreement (with a minimum of 2 restaurants) is $764,500 to $980,500 for a non-Drive-Thru location and $784,500 to $1,010,500 for a Drive-Thru location. This includes $80,000 that must be paid to the franchisor or our Affiliate.

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

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

Buying a franchise is a complex investment. The information in this disclosure document can help you make up your mind. More information on franchising, such as *"A Consumer's Guide to Buying a Franchise,"* which can help you understand how to use this disclosure document, is available from the Federal Trade Commission. You can contact the FTC at 1-877-FTC-HELP or by writing to the FTC at 600 Pennsylvania Avenue, NW, Washington, 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 be laws on franchising in your state. Ask your state agencies about them.

Issuance date as of: April 28, 2023

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 G.
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 C 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 Chicken Salad Chick 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 Chicken Salad Chick franchisee?	Item 20 or Exhibit G 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 E.

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

Special Risks to Consider About *This* Franchise

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

1. **Out-of-State Dispute Resolution**. The Franchise Agreement and Area Development Agreement require you to resolve disputes with the franchisor by arbitration and/or litigation only in the franchisor's then-current home state (currently Georgia). Out-of-state arbitration or litigation may force you to accept a less favorable settlement for disputes. It may also cost more to arbitrate or litigate with the franchisor in its then-current home state (currently Georgia) than in your own state.

2. **Supplier Control**. You must purchase all or nearly all of the inventory or supplies that are necessary to operate your business from the franchisor, its affiliates, or suppliers that the franchisor designates, at prices the franchisor or they set. These prices may be higher than prices you could obtain elsewhere for the same or similar goods. This may reduce the anticipated profit of your franchise business.

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

THE FOLLOWING PROVISIONS APPLY ONLY TO TRANSACTIONS GOVERNED BY THE MICHIGAN FRANCHISE INVESTMENT LAW

THE STATE OF MICHIGAN PROHIBITS CERTAIN UNFAIR PROVISIONS THAT ARE SOMETIMES IN FRANCHISE DOCUMENTS. IF ANY OF THE FOLLOWING PROVISIONS ARE IN THESE FRANCHISE DOCUMENTS, THE PROVISIONS ARE VOID AND CANNOT BE ENFORCED AGAINST YOU.

(a) A prohibition on the right of a franchisee to join an association of franchisees.

(b) A requirement that a franchisee assent to a release, assignment, novation, waiver, or estoppel which deprives a franchisee of rights and protections provided in this Act. This shall not preclude a franchisee, after entering into a franchise agreement, from settling any and all claims.

(c) A provision that permits a franchisor to terminate a franchise prior to the expiration of its term except for good cause. Good cause shall include the failure of the franchisee to comply with any lawful provision of the franchise agreement and to cure such failure after being given written notice thereof and a reasonable opportunity, which in no event need be more than 30 days, to cure such failure.

(d) A provision that permits a franchisor to refuse to renew a franchise without fairly compensating the franchisee by repurchase or other means for the fair market value at the time of expiration of the franchisee's inventory, supplies, equipment, fixtures, and furnishings. Personalized materials which have no value to the franchisor and inventory, supplies, equipment, fixtures, and furnishings not reasonably required in the conduct of the franchise business are not subject to compensation. This subsection applies only if: (i) the term of the franchise is less than 5 years and (ii) the franchisee is prohibited by the franchise or other agreement from continuing to conduct substantially the same business under another trademark, service mark, trade name, logotype, advertising, or other commercial symbol in the same area subsequent to the expiration of the franchise or the franchisee does not receive at least 6 months advance notice of franchisor's intent not to renew the franchise.

(e) A provision that permits the franchisor to refuse to renew a franchise on terms generally available to other franchisees of the same class or type under similar circumstances. This section does not require a renewal provision.

(f) A provision requiring that arbitration or litigation be conducted outside this state. This shall not preclude the franchisee from entering into an agreement, at the time of arbitration, to conduct arbitration at a location outside this state.

(g) A provision which permits a franchisor to refuse to permit a transfer of ownership of a franchise, except for good cause. This subdivision does not prevent a franchisor from exercising a right of first refusal to purchase the franchise. Good cause shall include, but is not limited to:

(i) The failure of the proposed transferee to meet the franchisor's then-current reasonable qualifications or standards.

(ii) The fact that the proposed transferee is a competitor of the franchisor or subfranchisor.

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

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

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

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

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

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

Any questions regarding this notice should be directed to:

State of Michigan Consumer Protection Division
Attn: Franchise
670 G. Mennen Williams Building
525 West Ottawa
Lansing, Michigan 48909
(517) 335-7567

Despite subparagraph (f) above, we intend to enforce fully the arbitration sections contained in our Franchise Agreement and Area Development Agreement. We believe that subparagraph (f) is unconstitutional and cannot preclude us from enforcing our arbitration sections. If you acquire a franchise, you acknowledge that we will seek to enforce the arbitration sections as written, and that the terms of the Franchise Agreement and Area Development Agreement will govern our relationship with you, including the specific requirements of the arbitration sections.

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ITEM 1
THE FRANCHISOR AND ANY PARENTS, PREDECESSORS AND AFFILIATES

Franchisor

The franchisor is Simply Southern Restaurant Group, LLC, and is referred to in this disclosure document as "we," "us" or "our." "You" means the entity to which we grant a franchise and, if applicable, development rights. If you are a corporation, limited liability company, partnership, or other type of legal entity, the Franchise Agreement and Area Development Agreement obligations also apply to your owners because we require that owners owning 10% or more of you personally guarantee and be personally bound by your obligations under the Franchise Agreement and Area Development Agreement.

We are an Alabama limited liability company formed on October 4, 2012. We conduct our business under our limited liability company name, the trademark "Chicken Salad Chick," and the phrase "A Simple Concept, A Superb Experience." Our principal business address and registered office is 2839 Paces Ferry Road SE, Ste. 500, Atlanta, Georgia 30339. Our registered agent at that address is Scott Deviney. If we have an agent in your state for service of process, we disclose that agent in Exhibit E.

The franchise operations of the Chicken Salad Chick brand were conducted by Simply Southern Restaurant Group, Inc. from March 2010 through October 2012, when it changed its name to CJ-LO Company, Inc. and we assumed its operations. Therefore, we have offered Chicken Salad Chick franchises since October 2012. Our predecessor Simply Southern Restaurant Group, Inc., whose last principal business address was 852 North Dean Road, Suite 200, Auburn, Alabama 36830, never offered franchises in any other lines of business or operated a Chicken Salad Chick restaurant. We have no other predecessors.

The Chicken Salad Chick concept was originally developed by Stacy and Kevin Brown and The Chicken Salad Chick, LLC, an Alabama limited liability company. The Chicken Salad Chick, LLC, the original operator of Chicken Salad Chick restaurants, opened its first Chicken Salad Chick restaurant on January 7, 2008, in Auburn, Alabama. It no longer exists and therefore has no relationship with us or our affiliates. Since its formation in February 2014, our affiliate SSRG II, LLC has owned and operated all affiliated Chicken Salad Chick restaurants. Our and SSRG II, LLC's direct parent company is SSRG Holdings, LLC, a Georgia limited liability company, which shares our principal business address. The direct parent company of SSRG Holdings, LLC is BA CSC Holdings, LLC, which also shares our principal business address. Our affiliate, CSC Ad Funds, LLC ("CSC Affiliate"), an Alabama limited liability company whose principal business address is the same as ours, currently manages and administers the Chicken Salad Chick Brand Fund. All marketing and advertising fees under the Franchise Agreement currently are paid to CSC Affiliate. CSC Affiliate does not own or operate any Chicken Salad Chick restaurants and has never sold franchises of any kind. We have no other affiliates disclosable in this Item.

We offer and sell franchises for Chicken Salad Chick restaurants. We are engaged only in business activities relating to franchising Chicken Salad Chick restaurants and have not offered franchises in any other lines of business. We have never operated Chicken Salad Chick restaurants and have no other business activities.

Chicken Salad Chick restaurants are fast-casual restaurants featuring a limited menu of specialty chicken salads, gourmet side items, and soups and emphasizing prompt and courteous service in a clean, wholesome atmosphere. You will sell chicken salads, pimento cheese and side

salads individually or in pound quantities. The typical Chicken Salad Chick restaurant will contain approximately 2,800 square feet and have seating for 82 persons. The restaurants will most likely be located in suburban areas in retail districts with a concentration of shopping centers. The restaurants will have carryout and dine-in customers and offer catering services. The restaurants might or might not have drive-thrus. The restaurants will be open year-round, closing only on selected holidays and Sundays. On occasional circumstances that we determine are in the brand's best interests, we might allow you to operate a "satellite location" on a limited basis at a nearby premises. A satellite location sells the products that you prepare at your Restaurant and deliver to the satellite location for re-sale; it does not prepare products on-site. A satellite location's operation is governed by your main Franchise Agreement, as supplemented by any addendum we deem necessary to cover any unique aspects of operating at the particular satellite location.

The Franchised Business

We have developed a comprehensive system for opening and operating Chicken Salad Chick restaurants, which includes trademarks, building layouts, equipment, ingredients, recipes and specifications for authorized food products, methods of inventory control, and certain operational and business standards and policies ("System"), all of which we may improve, further develop, or otherwise modify. You must operate your Chicken Salad Chick restaurant in strict accordance with the System.

Competition

The fast food and fast-casual restaurant industry is a highly-competitive and developed market. We compete primarily on the basis of food quality, convenience, and prompt and courteous service. Our business is not substantially seasonal.

Regulations Specific to Restaurant Industry

The restaurant industry is highly regulated. Many of the laws, rules and regulations that apply to businesses generally have particular applicability to restaurants. All Chicken Salad Chick restaurants must comply with federal, state, and local laws applicable to the operation of a restaurant business, including obtaining all applicable health permits and/or inspections and approvals by municipal, county or state health departments that regulate food service operations. These may include laws governing display of nutritional information. Your Chicken Salad Chick restaurant must also meet applicable municipal, county, state and federal building codes and handicap access codes, and you are required to demonstrate Payment Card Industry (PCI) compliance to protect customer confidential information.

The U.S. Food and Drug Administration, the U.S. Department of Agriculture and the state and local health departments administer and enforce regulations that govern food preparation and service and restaurant sanitary conditions. State and local agencies inspect restaurants to ensure that they comply with these laws and regulations. You should also be aware of federal, state, and local employment laws and regulations, specifically including minimum age and minimum wage requirements. Some state and local governments also regulate indoor air quality, including limiting the use of tobacco products in public areas, such as restaurants.

You should consider these laws and regulations when evaluating your purchase of our restaurant franchise. There may be other laws applicable to your restaurant.

Franchise Agreement

We offer to qualified persons the right to own and operate a Chicken Salad Chick restaurant at an agreed upon location pursuant to our standard form Franchise Agreement. A copy of the Franchise Agreement is attached as Exhibit A. The Franchise Agreement governs the development and operation of the Restaurant. You will operate your Restaurant in accordance with the provisions of the Franchise Agreement and our operations manual.

If you are renewing your franchise because its current term is about to expire, you will sign our Rider to Franchise Agreement for Renewal Franchise (Exhibit M) together with our current form of Franchise Agreement. The Rider for Renewal Franchise modifies certain provisions in our standard Franchise Agreement that do not apply to you because your Restaurant already is open.

Area Development Agreement

We also grant multi-unit development rights to qualified franchisees, which then may develop a specific number of Chicken Salad Chick restaurants within a defined territory according to a pre-determined development schedule. Those franchisees may open and operate their Chicken Salad Chick restaurants directly or through "Approved Affiliates," which are entities whose majority ownership is owned and controlled by the franchisee or its owners. Our Area Development Agreement ("ADA") is Exhibit B.

Franchisees signing our ADA must sign our then-current form of Franchise Agreement for each additional Chicken Salad Chick restaurant they develop under the ADA. While that form may differ substantially and materially year to year from the first Franchise Agreement they sign for their first Chicken Salad Chick restaurant to be developed (our current version of Franchise Agreement is disclosed in this disclosure document), the initial franchise fee you will pay for the 2nd and each subsequent Chicken Salad Chick restaurant you commit to develop under the ADA will be lower than that for the 1st Restaurant you commit to develop. We also commit to charge during the initial franchise term for each Chicken Salad Chick restaurant you develop under the ADA the same Continuing Royalty Fee rate we charge you under the first Franchise Agreement you sign. However, if you and your Approved Affiliates are not, when the next franchise agreement is signed, in full compliance with the ADA and all other franchise agreements then in effect with us for Chicken Salad Chick restaurants, then we reserve the right to charge whatever is our then-current Continuing Royalty Fee.

ITEM 2
BUSINESS EXPERIENCE

President and Chief Executive Officer: Scott Deviney

Mr. Deviney has served as our President and Chief Executive Officer since May 2015. He has also served as Chief Executive Officer of SSRG Holdings, LLC and CSC Ad Funds, LLC since May 2015.

Chief Financial Officer: David N. Ostrander

Mr. Ostrander has served as our Chief Financial Officer since July 2016.

Director of Design and Construction: John Miles Coggins, Jr.

Mr. Coggins has served as our Director of Design and Construction since January 2018.

Chief Operations Officer: James F. Thompson

Mr. Thompson has served as our Chief Operations Officer since July 2020, having been our Vice President of Operations from May 2013 to July 2020.

Chief Marketing Officer: Tom Carr

Mr. Carr has served as our and CSC Affiliate's Chief Marketing Officer since July 2020, having been Vice President of Marketing from June 2016 to July 2020.

Chief Development Officer: Terry A. McKee

Mr. McKee has served as our Chief Development Officer since July 2020, having been our Vice President of Real Estate from July 2015 to July 2020.

Chief Information Officer: Patrick Ryles Dodd

Mr. Dodd has served as our Chief Information Officer since January 2023, having been our Vice President of Information Technology from January 2020 to December 2022. He was Senior Director of Product at Xenial Systems, Inc. in Philadelphia, Pennsylvania from October 2017 to January 2020.

General Counsel and Vice President of Legal: Carol DeLoach Terry

Ms. Terry has served as our General Counsel and Vice President of Legal since November 2022. She also has been an Adjunct Professor at Georgia State University, J. Mack Robinson College of Business (seasonal) since August 2014. Ms. Terry was Senior Counsel for ABB, Inc. from July 2018 to November 2021 and Senior Counsel for the General Electric Company from 2001 to 2018, both in Atlanta, Georgia. During the interim period in 2022, Ms. Terry did private consulting.

Vice President of Franchise Development: Carrie Evans

Ms. Evans has served as our Vice President of Franchise Development since July 2020, having been our Director of Franchise Development from May 2016 to July 2020.

Vice President of Company Operations: Stephen Cale

Mr. Cale has served as Vice President of Company Operations for SSRG II, LLC since January 2021, having been Regional Director of Operations from February 2020 to January 2021 and a District Manager from August 2016 to February 2020.

Director of Franchise Development: Larissa Palatiere

Ms. Palatiere has served as our Director of Franchise Development since July 2018. From August 2016 to July 2018, she was Director of Franchise Development for Dickey's Barbecue Pit in Dallas, Texas.

Director of Store Systems: William Erin McVicker

Mr. McVicker has served as our Director of Store Systems since June 2016.

Director of Training: Patti Evanosky

Ms. Evanosky has served as our Director of Training since July 2013.

Franchise Development Manager: Julianne Jarrell

Ms. Jarrell has served as our Franchise Development Manager since October 2021, having been our Development Coordinator from May 2015 to October 2021.

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 Fees

- FRANCHISE FEE FOR FIRST LOCATION - $50,000 and a $10,000 grand opening marketing fee
- FRANCHISE FEE FOR ADDITIONAL LOCATIONS - $45,000 and a $10,000 grand opening marketing fee

Franchise Agreement

The initial franchise fee for the first Chicken Salad Chick restaurant is $50,000. You also must pay us or CSC Affiliate at the same time a grand opening marketing fee of $10,000. These initial fees are payable when you sign the Franchise Agreement and are not refundable for any reason. The initial franchise fee is uniform as to all franchisees currently purchasing a franchise.

We have the right to require you to reimburse our expenses in connection with site acceptance, including travel, meals, and lodging (although we have not imposed this cost in the past). Expenses depend on your market area's location and the length of our trip.

Area Development Agreement

If you enter into an ADA for multiple restaurants, you must pay the $50,000 initial franchise fee for the first restaurant (which is the initial franchise fee due under the first Franchise Agreement you are signing concurrently with the ADA) and a non-refundable development fee of $20,000 for each additional Chicken Salad Chick restaurant that you commit to develop. Each $20,000 is essentially a non-refundable deposit toward the $45,000 initial franchisee fee due for the second and each successive Chicken Salad Chick restaurant you commit to develop. The remaining $25,000 of the $45,000 initial franchise fee for subsequent restaurants, along with a $10,000 grand opening marketing fee, will be due upon signing the franchise agreement for each additional restaurant. We will identify the number of restaurants you must develop, the deadlines

for developing them, and the applicable development fee before signing the ADA. The development fee is not refundable for any reason.

ITEM 6
OTHER FEES

Column 1 Type of fee	Column 2 Amount	Column 3 Due Date	Column 4 Remarks (Note 1)
Continuing Royalty	5% of your Gross Sales[2] (but at least $600)	Semi-monthly on the 5th and 20th of each month[3]	"Gross Sales" includes all sales of food, beverages, and services from your Chicken Salad Chick restaurant. "Gross Sales" does not include sales tax.
Advertising Contribution	We have the right to require you to pay up to 4% of your Gross Sales as a Brand Fund contribution; however, we currently require you to pay 2% of Gross Sales[4]	Semi-monthly by the 5th and 20th of each month	This Advertising Contribution is paid to CSC Affiliate, which currently provides the advertising services under the Franchise Agreement.
Assignment/ Transfer	$7,500	Upon transferring the franchise	Transfer is subject to our approval.
Product and Service Purchases	Varies depending on products and services you buy from us or our affiliates	As incurred	During the franchise term, you must buy certain products and services from us or our affiliates, from designated or approved distributors and suppliers, or according to our standards and specifications. If we require you to buy any products or services from us or our affiliates, we will give you a price list identifying the applicable costs.
Audit	Reimbursement of audit costs	Upon receipt of our invoice	Payable only if we find an understatement greater than 3%.
Interest	Lesser of 1.5% per month or highest commercial contract interest rate law allows	When invoiced	Due on past due amounts.
Administrative Fee	$100	When invoiced	Due for each late or dishonored payment.

Column 1 Type of fee	Column 2 Amount	Column 3 Due Date	Column 4 Remarks (Note 1)
Indemnification	Will vary under circumstances and depends on nature of third-party claims	As incurred	You must reimburse us for all claims and losses arising out of (i) Restaurant's construction, design, or operation, (ii) the business you conduct under the Franchise Agreement, (iii) your non-compliance or alleged non-compliance with any law, (iv) a data security incident, or (v) your breach of Franchise Agreement.
Attorney's fees and other costs	Will vary under circumstances and depends on nature of your non-compliance	As incurred	Due when you do not comply with Franchise Agreement and/or as awarded by arbitrator in its discretion.
Insurance	Will vary under circumstances	As incurred	If you fail to obtain or maintain required insurance, we have the right to obtain such insurance at your expense.
Fees to evaluate alternative suppliers	Currently, out of pocket expenses only	Upon receipt of our invoice	We have the right to impose reasonable inspection and testing fees to cover any costs in evaluating alternative approved products or suppliers you suggest.
Renewal	$3,500	Upon receipt of our invoice	If you meet our terms and conditions, you may renew the Franchise Agreement for 3 additional terms.
New personnel training	If the training is conducted at the Restaurant, you must pay the then-current training fee (presently $1,750 per person, per 10-day training session) and reimburse us for our expenses	On demand after training is completed	Payable if you hire a new manager who has not been trained and certified by us. If such training is provided in our restaurants, you pay the current training fee only.
Management Fee	Up to 10% of Gross Sales, plus any out-of-pocket expenses incurred in connection with Restaurant's management	As incurred	Due if we assume Restaurant's management in certain situations.

Column 1 Type of fee	Column 2 Amount	Column 3 Due Date	Column 4 Remarks (Note 1)
Lost Future Royalties	Depends how much time remains in franchise term when we terminate with cause or you terminate without cause	Within timeframe we specify	These are contract damages if Franchise Agreement is terminated before its expiration date (referenced in Article XIX.D of Franchise Agreement).
Tax Reimbursement	Out-of-pocket cost reimbursement	As incurred	You must reimburse us for taxes we must pay any state taxing authority on account of either your operation or your payments to us (except for our income taxes).
Computer Software and Technology, Support, and Upgrades	Not to exceed $100 per month (depending on number of users and locations)	As incurred	We and our affiliates may charge you up-front and ongoing (*e.g.*, weekly, monthly, or other) fees for proprietary software or technology licensed to you and related support services; the fee may increase as costs increase. We do not now provide these services and therefore do not have a set charge; we have the right to charge you if we provide these services at a later time and will notify you when we establish the charge.

Note 1: All fees are imposed and collected by and payable to us or CSC Affiliate. We and our affiliates do not impose any fees or payments on, or collect any fees or payments from, you on a third party's behalf. No fee is refundable. All fees currently are uniformly imposed.

Note 2: "Gross Sales" means the aggregate amount of all revenue and other consideration generated from any source, including from selling products, services, and merchandise; other types of revenue you receive, including the proceeds of business interruption insurance; and (if we permit barter) the value of products, services, and merchandise bartered in exchange for the Restaurant's products, services, or merchandise. However, Gross Sales exclude: (i) federal, state, or municipal sales, use, or service taxes collected from customers and paid to the appropriate taxing authority; (ii) proceeds from insurance, excluding business interruption insurance; and (iii) proceeds from any civil forfeiture, condemnation, or seizure by government entities. In addition, Gross Sales are reduced by (i) the value of both employee discounts and (with our prior approval) promotional or marketing discounts offered to the public not exceeding, in the aggregate, 2% of the Restaurant's semi-monthly Gross Sales and (ii) the amount of any credits the Restaurant provides in accordance with the terms and conditions set forth in the Manual. Each charge or sale upon credit will be treated as a sale for the full price on the day the charge or sale is made, regardless of when you

receive payment (whether full or partial, or at all) on that sale. Revenue from gift/loyalty/stored-value cards and similar items we approve for offer and sale at Chicken Salad Chick restaurants is included in Gross Sales when the card or other item is used to pay for products and services (although we have the right to collect our fees due on that revenue when the card is sold). The Restaurant may not issue or redeem any coupons or gift/loyalty/stored-value or similar cards unless we first approve in writing their form and content and your proposed issuing and honoring/redemption procedures. We have the right to grant or withhold our approval as we deem best.

We reserve the right to modify our policies and practices regarding revenue recognition, revenue reporting, and the inclusion or exclusion of certain revenue from "Gross Sales" as circumstances, business practices, and technology change.

Note 3: You must authorize us to debit your bank account automatically for the amounts due under the Franchise Agreement or otherwise. We will debit your account on or after the payment due date. Funds must be available in the account for withdrawal.

Note 4: We have the right to designate a geographic area for an advertising cooperative (a "Cooperative"). The Cooperative's members in any area will be the owners of Chicken Salad Chick Restaurants located and operating in that area (including us and our affiliates, if applicable). While the Cooperative will determine the contributions by the Restaurants in that market, and while we will vote on the amount if we or our affiliates operate Restaurants in that market, your contribution will be capped at 1% of the Restaurant's Gross Sales.

ITEM 7
ESTIMATED INITIAL INVESTMENT

YOUR ESTIMATED INITIAL INVESTMENT

Column 1 Type of Expenditure	Column 2 Amount	Column 3 Method of Payment	Column 4 When Due	Column 5 To Whom Payment is to be Made
Initial franchisee fee*	$50,000	Lump sum	Upon signing the Franchise Agreement	Company
Grand Opening Marketing Fee (Note 1)	$10,000	Lump sum	Upon signing the Franchise Agreement	CSC Affiliate
Rent (1 month) and Security Deposit (Note 2)	$6,000 - $11,000	Lump sum	As incurred	Landlord
Leasehold Improvements (Notes 2 & 3)	$400,000 - $500,000	Lump sum or financed	When work is performed	Contractors or Landlord
Furniture, Fixtures and Equipment(Note 3)	$175,000 - $225,000	Lump sum or financed	Upon installation	Approved vendors
Décor Package (wall art, table coverings, decals, window treatments)	$15,000 - $20,000	Lump sum or financed	Upon Installation	Approved vendors
Branded Merchandise	$9,000 - $10,000	Lump sum	Upon delivery	Approved vendors

Column 1 Type of Expenditure	Column 2 Amount	Column 3 Method of Payment	Column 4 When Due	Column 5 To Whom Payment is to be Made
Inventory	$12,000 - $13,000	Lump sum	Upon delivery	Approved vendors
Signage	$12,000 - $25,000	Lump sum	Upon installation	Approved vendors
Drive Thru Package (Drive-Thru Only)	$20,000- $30,000	Lump sum	Upon installation	Approved vendors
Computer Equipment and Software (Note 4)	$20,000- $30,000	Lump sum	Upon installation	Approved vendors
Permits and Licenses	$500 - $2,500	As incurred	Upon application	Cities and counties
Insurance (6 months)	$2,500 - $3,500	As incurred	When policy(s) is written	Insurance carrier
Training (transportation, lodging, etc. for 3 people)	$2,500 - $5,000	As incurred	When incurred	Vendors; hotels, employees, etc.
Other deposits and prepaid expenses (Note 5)	$0 - $5,500	As incurred	Upon application	Vendors, regulatory agencies, and other 3rd parties
Professional Fees (Note 6) (Attorney, Architect, etc.)	$10,000 - $20,000	As incurred	When Incurred	Vendors
Additional Funds—3 months(Note 7)	$20,000 - $30,000	As incurred	As Incurred	Employees, vendors, etc.
Total Estimated Initial Investment (all locations other than Drive-Thru locations): $744,500 - $960,500				
Total Estimated Initial Investment (Drive-Thru locations only): $764,300 - $990,500				

* The initial franchise fee for a Chicken Salad Chick Restaurant is $50,000. However, if you want development rights (a minimum of 2 Chicken Salad Chick Restaurants), the initial franchise fee for each Restaurant you commit to develop after the first one is $45,000. No separate initial investment is required when you sign the ADA. You need only pay the development fee, which equals the full $50,000 initial franchise fee for the first Restaurant covered by the first Franchise Agreement you sign concurrently with the ADA, plus a $20,000 deposit for each additional Restaurant you commit to develop. The total investment necessary to begin operation if you acquire development rights (with a minimum required commitment of 2 Chicken Salad Chick Restaurants) is $764,500 to $980,500 for a non-Drive-Thru location and $784,500 to $1,010,500 for a Drive-Thru location.

Note 1: CSC Affiliate will use the Grand Opening Marketing Fee to provide the grand opening marketing for the Restaurant.

Note 2: It is anticipated that your lease costs will be $25 to $50 per square foot. Your lease costs will depend on geographic location, size, local rent rates, site profile and desirability, and other factors. Chicken Salad Chick Restaurants are typically located in busy retail strip-shopping centers with high visibility along main traffic arteries. Your

Restaurant site must have ample parking spaces available for guests and meet a minimum traffic count of vehicles per day. In our experience, the rent payment obligation does not begin at lease signing; rather, it begins when you actually open your Restaurant or the month before. Therefore, this line-item reflects one month's rent and one month's security deposit.

The leasehold-improvement estimates provided for Restaurants are based on the cost of adapting our standard architectural plans for the finish-out of a Chicken Salad Chick Restaurant containing approximately 2800 square feet. Actual costs may vary based upon non-traditional finish-outs. The leasehold improvement ranges will be affected by various factors like the location of the Restaurant and local market conditions. The estimates assume that the landlord will provide connections to adequate electrical, gas, water, and sewage service. Your actual costs may or may not include site preparation, demising walls, and utility extensions, depending on the arrangements you negotiate with your landlord. Some landlords are willing to contribute toward the cost of finish-out, sometimes referred to as tenant improvement funds, which may reduce the overall leasehold improvement costs, but this amount is not included in the chart above because, if offered, the terms will vary widely. The average tenant improvement funds received in 2022 were approximately $85,000 for a prototypical Restaurant.

Note 3: The estimated costs in these line-items currently reflect an aggregate 17% to 20% increase in the most recent historical costs for these items/services due to inflation and supply-chain issues for manufacturing, equipment, and supplies**.**

Note 4: The estimate provided includes point of sale and back office systems, PCI store network, security camera system, and audio system.

Note 5: Depending on your local jurisdiction, water tap, sewer tap, and other impact fees may be required. These fees are excluded from our estimate. You should determine if you will be required to pay these fees, and the amount of such fees, prior to purchasing a franchise.

Note 6: The estimate assumes that you will employ an attorney to help you negotiate your lease for the Restaurant premises. Through lease negotiations, you may be required to sign a personal guaranty for a specific amount of time in which you guarantee the payment of rent and other sums. In addition, you may choose to employ an attorney, accountant, and other consultants to help you evaluate our franchise offering and your establishment of a new business, and in obtaining all required permits and licenses to establish and operate the Restaurant. Your actual costs may vary depending on the degree to which you rely upon your advisors and upon the licensing requirements that may apply to your Restaurant.

Note 7: This line-item estimates the funds needed to cover your other initial expenses before you open and during the first 3 months of operation (other than the items identified separately in the table), including labor, supplies, rent, and utilities. These expenses do not include any draw or salary for you. This estimate is based on our affiliates' experience developing and operating Restaurants, our franchising experience, and information provided by our franchise owners.

Total: We relied on our affiliates' experience developing and operating Restaurants, our franchising experience, and information provided by our franchise owners with actual, operating locations to compile these estimates. You should review these figures carefully with a business advisor before deciding to acquire the franchise. We do not offer financing directly or indirectly for any part of the initial investment. Availability and terms of financing depend on many factors, including the availability of financing

generally, your creditworthiness and collateral, and lending policies of financial institutions from which you request a loan. An estimated initial investment will be incurred for each Restaurant established under an ADA.

Unless otherwise noted above, no fees are refundable.

ITEM 8
RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

The following paragraphs disclose the goods, services, supplies, fixtures, equipment, inventory, computer hardware and software, real estate, and comparable items related to establishing or operating the Restaurant that you currently must buy or lease from us (or our affiliates) or designated or approved suppliers.

The only products/services for which we or our affiliates currently are designated or approved suppliers are the grand opening marketing services provided by CSC Affiliate for which you pay a lump sum amount when you sign the Franchise Agreement. CSC Affiliate holds these funds in a deferred account until it is time to plan for your Restaurant's grand-opening events. CSC Affiliate then spends that money collectively with you for services/goods provided by other vendors. CSC Affiliate does not keep any of this money for services it renders.

You must purchase from suppliers and distributors we approve in writing those foods, food items, beverages, recipe ingredients, goods, products, supplies, sundries, uniforms, machinery, signs, furniture, fixtures, equipment, and services that we determine must meet minimum standards of quality and uniformity in order to protect our valuable goodwill and system uniformity or that we determine for another reason must be acquired only from designated or restricted sources we specify. Our Manual and written and on-line communications will identify our standards and specifications for you and any modifications. When appropriate and authorized, you may provide those standards and specifications to suppliers if they agree to maintain confidentiality.

We currently require you to purchase the following products and services only from designated (i.e., specific) suppliers: kitchen and restaurant equipment along with smallwares; interior décor items (pictures, sconces, and accent pieces); chicken and all ingredients of each chicken salad recipe; produce ingredients; and our point-of-sale/information system (described in Item 11). However, in order to ensure that you adhere to the uniformity requirements and quality standards associated with all Chicken Salad Chick restaurants, you also currently must purchase or lease certain products, merchandise and services required for your Restaurant from suppliers we approve. We will provide a written list of all approved or designated suppliers for these products, merchandise, and services. We will also notify you of any additions to or deletions from the list. We estimate that purchases of products, merchandise, and services from designated or approved suppliers, or in compliance with our standards and specifications, will constitute almost 100% of your total purchases and leases to establish and then operate your Restaurant. We and/or our affiliates may be approved suppliers, or the designated/exclusive suppliers, of certain products, merchandise, and services.

Except as noted above, you have the right to purchase required products and services from outside suppliers and distributors if such products and services conform in quality to our standards and specifications and we determine that the supplier's or distributor's business reputation, quality standards, delivery performance, credit rating, and other factors are satisfactory. If you want to purchase any products or services from other suppliers and distributors, you must at your own expense submit samples and specifications, and other

business and product information we request, for review and/or product testing so we can determine whether the supplier or distributor and its products and services are satisfactory to us and comply with our standards and specifications. We will also have the right to inspect the facilities of the proposed supplier or distributor. You must reimburse our costs to inspect the facilities of the unapproved supplier or distributor within 30 days after we send you an invoice. We will complete all product testing within 30 days after receiving the samples and other requested information and will notify you of our decision within 15 days after completing product testing. You must obtain our approval before you sell or use any previously-unapproved products and services or use any previously-unapproved supplier or distributor. We have the right to re-inspect a supplier's or distributor's facilities and items and revoke our approval of any supplier, distributor, product, or service no longer meeting our criteria by notifying you and/or the supplier or distributor.

We do not maintain written criteria for approving suppliers and therefore such criteria are not available to you or your proposed suppliers. There are no approved suppliers in which any of our officers owns an interest.

You must send us and CSC Affiliate for prior approval samples of all advertising and promotional plans and materials that you desire to use and that we and CSC Affiliate have not prepared or previously approved. If you do not receive written approval within 15 days after we receive the materials, they will be considered disapproved.

You may not lease, purchase, or otherwise acquire the Restaurant site until we receive certain required information relating to, among other things, accessibility, visibility, potential traffic flows, population trends, household income and financial statistics, lease terms and other demographic information. If you lease the premises, the lease must contain certain provisions we approve, including (1) a provision that we or our designee will have the right to assume the lease for all or any part of the lease term upon your default or termination or upon expiration or termination of the Franchise Agreement, and (2) a provision that upon termination of the Franchise Agreement, we will have the right to enter upon the premises and remove all Marks. Our current form of Franchisor Lease Rider is Exhibit K to this disclosure document.

You must retain an approved architect and are responsible for preparing working drawings, construction plans, and architectural plans and specifications for the Restaurant. You may not commence constructing the Restaurant until we approve your final plans in writing. We will identify the architect, design firm, and general contractors we have approved. The Restaurant and its premises must conform to all specifications for décor, furniture, fixtures, equipment, computer system and other technology, exterior and interior decorating designs. and color schemes we establish.

You must participate in, and comply with the requirements of, our gift/loyalty/stored-value card and other customer loyalty programs.

You must make the reasonable capital expenditures necessary to extensively remodel, modernize, redecorate, and renovate your Restaurant and to replace and modernize the furniture, fixtures, supplies and equipment so that the Restaurant will reflect the then-current image of a Chicken Salad Chick restaurant. All remodeling and replacements of furniture, fixtures, supplies and equipment must conform to our then-current specifications. You must begin remodeling the Premises within 4 months after you receive written notice from us specifying the required remodeling and diligently complete the remodeling within a reasonable time after it begins. You need not remodel the Restaurant, or replace and modernize its furniture, fixtures, supplies and equipment, more than once every 5 years during the franchise term. You may not install at the

Restaurant, without our prior written consent, any fixtures, furnishings, equipment, décor, signs, or other items we have not previously approved.

You have no right to create, affiliate with, or advertise on any web or social media site on the internet without our prior written consent. We have the sole right to advertise on the internet and create a web site using the name Chicken Salad Chick and any variations. Any social media relating to you or the Restaurant must be conducted through our website. You must adhere to our guidelines and restrictions with respect to social media.

Certain of our approved suppliers may cooperate with us in developing joint programs, research and development, and promotion and make services and monetary contributions to our efforts, which may be based on their revenue from sales to Chicken Salad Chick restaurants, including franchisees. Any promotional allowances or other payments paid to us by a supplier or distributor as a result of your purchases—which we are allowed to receive—currently will be deposited into the Brand Fund or placed in a separate fund to cover the cost of franchisee conferences, conventions, or incentive programs. In 2022, CSC Affiliate received a total of $1,060,048 from our approved suppliers on account of purchases made by both franchised and affiliate-owned Restaurants. The suppliers' payments to CSC Affiliate were based on either a specific dollar amount per case purchased (e.g., $1) or a percentage of their total sales (e.g., 3%). This amount is from CSC Affiliate's internal records. All payments were deposited into the Brand Fund. We and our other affiliates (besides CSC Affiliate) did not receive any supplier payments during 2022 on account of suppliers' sales to franchised or company-owned Restaurants.

We determine our standards and specifications at our sole discretion. We have the right to modify our written standards and specifications and you must comply with any modifications. You must ensure that all products and services selected by you conform to the standards and specifications we establish, whether or not purchased from designated or approved suppliers.

Before opening the Restaurant, you must obtain, and then maintain in full force and effect during the franchise term at your own expense, insurance policies protecting you and us, and your and our officers, directors, partners, members, and employees, against any loss, liability, personal injury, death, or property damage or expense arising or occurring upon or in connection with the Restaurant. The insurance policies must be written by an insurance company satisfactory to us and include at a minimum (unless we specify additional coverages and higher policy limits from time to time) the following: general liability insurance with coverage of at least $1,000,000 per occurrence and $2,000,000 aggregate; automobile insurance coverage with a minimum of $1,000,000 combined single limit; property insurance with full replacement cost coverage; umbrella liability insurance with coverage of at least $2,000,000; and all insurance required by law such as workers' compensation and employer's liability insurance.

If you fail to obtain or maintain the required insurance and send us proof that it is in effect, we have the right to procure the insurance for you and to charge you all of our costs.

There currently are no purchasing or distribution cooperatives. We and our affiliates currently negotiate purchase arrangements with suppliers (including price terms) for kitchen and restaurant equipment and smallwares; interior décor items (pictures, sconces, and accent pieces); chicken and all ingredients of each chicken salad recipe; produce ingredients; and our point-of-sale/information system. In doing so, we and our affiliates seek to promote the overall interests of the franchise system and company-owned operations and our interests as the franchisor (and not for the benefit of a particular franchisee). We and our affiliates might not obtain the best pricing or most advantageous terms on behalf of Chicken Salad Chick Restaurants. We and our affiliates also are not responsible for the performance of suppliers and distributors to Chicken Salad Chick

Restaurants, including if their products or services fail to conform to or perform in compliance with System standards or our contractual terms with the supplier or distributor.

We do not provide material benefits to a franchisee (for example, renewal or granting additional franchises) for purchasing particular products or services or using particular suppliers.

ITEM 9
FRANCHISEE'S OBLIGATIONS

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

Obligation	Section in agreement	Disclosure document Item
a. Site selection and acquisition/lease	Articles I.A and XIII of the Franchise Agreement Franchisor Lease Rider	Items 7, 8, and 11
b. Pre-opening purchases/leases	Articles VIII and XIII of the Franchise Agreement Franchisor Lease Rider	Items 6, 7, and 8
c. Site development and other pre-opening requirements	Articles I.A and XIII of the Franchise Agreement Article III of the ADA	Items 7 and 8
d. Initial and ongoing training	Article XII of the Franchise Agreement Sections 10 and 11 of Rider to Franchise Agreement for Renewal Franchise	Item 11
e. Opening	Article I of the Franchise Agreement Article III of the ADA	Items 11 and 12
f. Fees	Articles II.C, III, IV, V.B and C, VI.G, VII.K, XII, XVI.E, XVII.B(2), and XXIX.C of the Franchise Agreement Articles II and III of the ADA Sections 7 and 8 of Rider to Franchise Agreement for Renewal Franchise	Items 5, 6, and 7
g. Compliance with standards and policies/ operating manual	Articles VII, VIII, and IX of the Franchise Agreement	Items 8 and 11
h. Trademarks and proprietary information	Articles IX, X, and XI of the Franchise Agreement	Items 13 and 14
i. Restrictions on products/services offered	Articles VII and VIII of the Franchise Agreement	Items 8 and 16

Obligation	Section in agreement	Disclosure document Item
j. Warranty and customer service requirements	Article VII of the Franchise Agreement	Not applicable
k. Territorial development and sales quotas	None in Franchise Agreement Article III and Exhibit A of the ADA	Item 12
l. Ongoing product/ service purchases	Articles VII and VIII of the Franchise Agreement	Item 8
m. Maintenance, appearance, and remodeling requirements	Articles VII and XIII of the Franchise Agreement	Item 11
n. Insurance	Article XVI of the Franchise Agreement	Items 7 and 8
o. Advertising	Article V of the Franchise Agreement	Items 5, 6, 7, and 11
p. Indemnification	Article XXII.B of the Franchise Agreement Article IX of the ADA	Item 6
q. Owner's participation/ management/staffing	Article VII of the Franchise Agreement	Items 11 and 15
r. Records and reports	Articles IV.D and VI of the Franchise Agreement	Item 6
s. Inspections and audits	Articles VI.D, VII.O, VIII, and XIII of the Franchise Agreement	Item 6
t. Transfer	Article XVII of the Franchise Agreement Article VI of the ADA	Items 6 and 17
u. Renewal	Articles II.B and C of the Franchise Agreement Section 6 of Rider to Franchise Agreement for Renewal Franchise	Item 17
v. Post-termination obligations	Articles XVII.G, XIX, and XX of the Franchise Agreement Article V.D of the ADA	Item 17
w. Non-competition covenants	Article XX of the Franchise Agreement Article VII of the ADA	Item 17
x. Dispute resolution	Articles XXVII, XXVIII, and XXIX of the Franchise Agreement Articles XII and XIV of the ADA	Item 17
y. Guaranty of franchisee obligations	Following signature page of Franchise Agreement	Item 15
z. Compliance with laws and data security	Article VII.K and XXI.B of the Franchise Agreement	Items 11 and 14
aa. Gift certificates, coupons, and gift-card programs	Article VII.R of the Franchise Agreement	Item 8

Obligation	Section in agreement	Disclosure document Item
bb. Guaranty	Guaranty and Assumption of Obligations attached to Franchise Agreement	Item 15

ITEM 10
FINANCING

We do not offer direct or indirect financing. We do not guarantee your note, lease, or obligation.

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

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

Assistance Before Opening – Before You Open Your Chicken Salad Chick Restaurant:

1. We will accept your Restaurant's site and designate your protected area. (Articles I.A and B and XIII.A and B and Exhibit A-1 of Franchise Agreement)

2. We will loan you a copy of our Manual. (Article IX of the Franchise Agreement) The Manual is confidential and remains our property during and after the franchise term. The Table of Contents of the Manual is attached as Exhibit F. While we provide only electronic access to the Manual, we estimate that the Manual has the equivalent of approximately 79 pages. Recipes and food preparation instructions are available to franchisees online only through Chicken Salad Chick University; they are not part of the Manual.

3. We will give you a written schedule of all food products, merchandise, beverages and other items for sale and a list of the furniture, fixtures, supplies and equipment necessary and required for the operation of the restaurant. (Article XIV.A of the Franchise Agreement)

4. We will give you a list of approved suppliers for the products, merchandise, and services we require you to use in your Restaurant. (Articles VIII.D, E, and F and XIV.A of the Franchise Agreement) We and our affiliates generally do not provide these items directly, or install or deliver them, unless we or they are approved or designated suppliers (discussed in Item 8).

5. You must buy and install the necessary equipment, signs, fixtures, and inventory for your restaurant through approved suppliers. We do not deliver or install any of these items.

6. We will provide you a sample of the standard Chicken Salad Chick menu. (Article XIV.A of the Franchise Agreement)

7. We will establish standards for the telecommunications equipment, computer hardware, peripherals, and software you must use in your Restaurant. (Article VI.G of the Franchise Agreement)

8. We will provide an initial training program, described later in this Item. (Article XII of the Franchise Agreement)

9. CSC Affiliate will provide the Grand Opening Marketing for the Restaurant. (Article V.A of the Franchise Agreement)

10. We will arrange for an opening team to assist you with opening your Chicken Salad Chick restaurant for up to 10 days. (Article XII.E of the Franchise Agreement)

11. We will designate a specific number of Restaurants that you (and your Approved Affiliates) must develop and open at accepted locations within your development area and the development deadlines (if we grant you development rights). (Area Development Agreement)

Site Selection

You are solely responsible for selecting the site for the Restaurant's premises. We have no obligation to locate a site for the Restaurant, to assist you in selecting a suitable site, or to provide any assistance in purchasing or leasing the Restaurant. You must reimburse our expenses in connection with site acceptance, including travel, meals, and lodging. If you have not found the Restaurant's site as of the date you sign the Franchise Agreement, the Agreement will identify an area in which you may look for the proposed premises (that area will not determine the size or description of the Protected Area once the premises is located). If you fail to submit a site that we accept within 120 days after the Franchise Agreement's effective date, we have the right to terminate the Agreement. There is no refund of the initial franchise fee. (Article XIII of the Franchise Agreement)

Factors we consider when reviewing a proposed site include accessibility, visibility, potential traffic flows, population trends, household income and financial statistics, lease terms and other demographic information. We will not own the premises and lease it to you. A proposed site must be submitted for our approval through a bi-weekly real estate committee meeting. If you lease your premises, you must submit the lease to us for our confirmation that it incorporates certain required provisions. (Article XIII.A of the Franchise Agreement and Franchisor Lease Rider) Under the ADA, we first must accept each new site you propose for each new Chicken Salad Chick restaurant as well as its proposed Protected Area. Our then-current standards for sites and protected areas will apply.

In addition, we will give you drawings and specifications for the build-out of a typical Chicken Salad Chick restaurant. (Article XIII.C of the Franchise Agreement) You must adapt and prepare working drawings and construction plans and specifications for the restaurant.

Advertising

We have established a Brand Fund in which you must participate. It currently is maintained and administered by CSC Affiliate (but may be maintained and administered in the future by us or another entity, as we deem best). (Article V.C of the Franchise Agreement) The Brand Fund is for advertising, marketing, research and development, public relations, social-media management, lead-generation, customer-relationship-management, and technology programs, materials, and activities, the purpose of all of which is to enhance, promote, and protect the Chicken Salad Chick brand and franchise System. We have the right to require your Restaurant to pay a Brand Fund contribution of up to 4% of its semi-monthly Gross Sales; however, we currently require your Restaurant to pay only 2% of its semi-monthly Gross Sales. Chicken Salad Chick restaurants that we or our affiliates own will contribute to the Brand Fund on the same percentage basis as franchisees. We or CSC Affiliate also have the right to collect for deposit into the Brand Fund any advertising, marketing, or similar allowances paid by suppliers who deal with Chicken Salad Chick restaurants.

We or CSC Affiliate (or another entity we specify) will direct and determine all programs the Brand Fund finances, with sole control over all creative and business aspects of the Brand

Fund's activities. The Brand Fund may pay for, among other things, preparing, producing, placing, and maintaining video, audio, and written materials, digital marketing, and social/electronic media; developing, maintaining, and administering one or more System websites, an intranet or extranet, and/or related strategies; creating and administering national, regional, multi-regional, local, and multi-local marketing, advertising, lead-generation, and other brand development and enhancement programs; using advertising, promotion, and marketing agencies and other advisors to provide assistance; administering, staffing, and supporting all Chicken Salad Chick franchise quality and operational enhancement programs; on-site training of franchisees and personnel; establishing regional and national promotions and partnerships and hiring spokespersons to promote the Chicken Salad Chick brand; establishing on-line systems and other vehicles for centralized customer interaction; supporting public relations, market research and development, and other advertising, promotion, marketing, and brand development and enhancement activities, including conducting franchisee conferences; funding visits by our or CSC Affiliate's executives, other personnel, and third-party service providers to the market areas of Chicken Salad Chick franchisees to establish, enforce, and confirm compliance with the Chicken Salad Chick culture; and funding technology initiatives for the System. The Brand Fund will advertise locally, regionally, and/or nationally in printed materials, on radio or television, and/or on the Internet, wherever we and CSC Affiliate think best. We, CSC Affiliate, and/or an outside advertising agency and/or media agency will produce all advertising and marketing. The Brand Fund periodically may give you sample advertising, marketing, promotional, and lead-generation formats and materials at no cost. We or CSC Affiliate may sell you multiple copies of such materials at the direct cost of producing them, plus any related shipping, handling, and storage charges.

We or CSC Affiliate will account for the Brand Fund separately from our and its other funds (although we or it need not keep Brand Fund contributions in a separate bank account) and not use the Brand Fund for any of our or its general operating expenses. However, the Brand Fund may reimburse us and CSC Affiliate for the reasonable salaries and benefits of personnel who manage and administer, or otherwise provide assistance or services to, the Brand Fund; the Brand Fund's administrative costs; travel-related expenses of personnel while they are on Brand Fund business; meeting costs; overhead relating to Brand Fund business; conducting public relations and quality and operational enhancement programs; on-site training of personnel; and other expenses we and CSC Affiliate incur administering or directing the Brand Fund and its programs, including conducting market research, preparing advertising, marketing, promotional, and lead-generation formats and materials, collecting and accounting for Brand Fund contributions, paying taxes due on Brand Fund contributions received, and any other costs or expenses we and CSC Affiliate incur operating or as a consequence of the Brand Fund. The Brand Fund is not a trust, and we and CSC Affiliate do not owe you fiduciary obligations for maintaining, directing, or administering the Brand Fund or for any other reason.

The Brand Fund may spend in any fiscal year more or less than the total Brand Fund contributions in that year, borrow from us, CSC Affiliate, or others (paying reasonable interest) to cover deficits, invest any surplus for future use, and roll over unspent monies to the following year. We or CSC Affiliate may use new Brand Fund contributions to pay Brand Fund deficits incurred during previous years. We or CSC Affiliate will use all interest earned on Brand Fund contributions to pay costs before using the Brand Fund's other assets. We or CSC Affiliate will prepare an annual, unaudited statement of Brand Fund collections and expenses and give you a copy upon reasonable request. We or CSC Affiliate may (but need not) have the Brand Fund audited annually, at the Brand Fund's expense, by a certified public accountant chosen by us or CSC Affiliate. We or CSC Affiliate has the right to incorporate the Brand Fund, or otherwise operate it,

through a separate entity (other than CSC Affiliate) whenever we or it deems appropriate. The successor entity will have all of the rights and duties specified above.

Of the Brand Fund's total 2022 expenditures (not including amounts deferred to 2023), 47% was spent on media placement; 26% was spent on marketing development and systems (including creative, website, loyalty app, merchandising, and agencies); and 27% was spent on administration (including salaries, owners conference, and travel). The Brand Fund's principal purposes are to maximize recognition of the Marks, increase patronage of Chicken Salad Chick restaurants, and enhance, promote, and protect the Chicken Salad Chick brand and System. Although we and CSC Affiliate will try to use the Brand Fund in the aggregate to develop and implement materials and programs benefiting all Chicken Salad Chick restaurants, we and CSC Affiliate need not ensure that Brand Fund expenditures in or affecting any geographic area are proportionate or equivalent to Brand Fund contributions by Chicken Salad Chick franchisees operating in that geographic area or that any Chicken Salad Chick franchisee benefits directly or in proportion to its Brand Fund contribution from the development of advertising, marketing, promotional, and lead-generation formats and materials or the implementation of programs. (In other words, we need not spend any particular amount on advertising in your Restaurant's market area.)

The Brand Fund will not be used principally to develop materials and programs to solicit franchisees. However, media, materials, and programs (including the System website) prepared using Brand Fund contributions may describe the franchise program, reference the availability of franchises and related information, and process franchise leads. We and CSC Affiliate have the right, but no obligation, to use collection agents and institute legal proceedings at the Brand Fund's expense to collect unpaid Brand Fund contributions. We and CSC Affiliate also have the right to forgive, waive, settle, and compromise all claims by or against the Brand Fund. We and CSC Affiliate assume no direct or indirect liability or obligation to you for collecting amounts due to, maintaining, directing, or administering the Brand Fund.

We have the right at any time to defer or reduce the Brand Fund contributions of any Chicken Salad Chick restaurant and, upon 30 days' prior written notice to you, to reduce or suspend Brand Fund contributions and operations for one or more periods of any length and to terminate (and, if terminated, to reinstate) the Brand Fund. If we terminate the Brand Fund, we or CSC Affiliate will either (i) spend the remaining Brand Fund balance on permitted programs and expenditures or (ii) distribute all unspent funds to then-existing Chicken Salad Chick franchisees, and to us or our affiliates, in proportion to their and our respective Brand Fund contributions during the preceding 12-month period.

We currently have a marketing advisory committee made up of 5 franchisees that advises us on advertising and marketing matters for our system. This committee serves only in an advisory capacity. We have the right to create, merge, change, or dissolve these types of committees and franchise advertising councils at any time.

You must conduct local advertising in the form, content, and media we approve and spend a minimum of 1% of your monthly Gross Sales. Upon request, you must send us evidence of your expenditures. If you fail to spend such sums on local advertising, you must cure that default. While the cost of any food prepared by the Restaurant for actual food-sampling purposes may be applied toward the 1% local advertising requirement, the cost of wasted or unused food ("food shrinkage") may not be so applied. (Article V.B of the Franchise Agreement)

We have the right to establish local and/or regional advertising cooperatives for Chicken Salad Chick restaurants in your local or regional area, covering such geographical areas as we

may designate. (Article V.D of the Franchise Agreement) Once formed (and there currently are no such cooperatives), we have the right to change, dissolve or merge advertising cooperatives.

You must participate in such advertising cooperative and its programs (other than price advertising in which you may choose not to participate if we have not unilaterally chosen to regulate your prices to the extent permitted by law) and abide by its bylaws. You must contribute to the advertising cooperative(s) the amounts determined by its bylaws. Any restaurants located in such designated local or regional areas will contribute to the cooperative on the same basis. Contributions are credits toward your required 1% local advertising expenditures. The bylaws of your cooperative will be made available for you to review. The advertising cooperatives will be administered by us. The annual or other financial statements of the advertising cooperatives will be made available to you upon request. Each Chicken Salad Chick restaurant located within the local or regional area of the advertising cooperative is entitled to 1 vote; we will have 1 vote ex officio and 1 vote for each company- or affiliate-owned Chicken Salad Chick restaurant in the advertising area.

Advertising conducted by the cooperatives may be in various media, including television, radio, and newspaper or through billboards, direct mail, and internet and intranet web pages. The advertising will be developed primarily by outside advertising agencies. The cooperatives will not use funds for advertising that is primarily a solicitation for the sale of franchises.

You must send us and CSC Affiliate for prior approval samples of all advertising and promotional plans and materials you desire to use that we and CSC Affiliate have not prepared or previously approved. If you do not receive written approval within 15 days after we receive the materials, they will be considered disapproved. (Article V.A.1 of the Franchise Agreement)

Computer

You must purchase or lease the computer hardware and peripherals we require that will serve as your point-of-sale transaction system (and maintain certain sales, financials, marketing, and other business information), purchase an on-site maintenance agreement for your point-of-sale transaction system, and purchase certain computer software and operating systems. (Articles VI.C and G of the Franchise Agreement) The fax and telephone communications equipment, computer hardware, networking, peripherals, maintenance agreement, and computer software and operating systems are all available through commercial vendors. Our support depends upon your using only our approved vendors and products. You must upgrade and update your telecommunications equipment and computer hardware, peripherals, and software so that they comply with our standards throughout the franchise term. There are no contractual limitations on the frequency and cost of this obligation. We estimate annual computer maintenance and upgrade costs to be from $2,500 to $2,700. Your costs will depend on your usage, repair history, local costs of computer maintenance services and technological advances. No party has an obligation to provide ongoing maintenance, repairs, upgrades, or updates unless you sign a contract for such items/services. We will have independent, unlimited access to all transaction details for sales, financial marketing, management, and other business information maintained on your computer system. There is no limitation or restriction on our right to access or retrieve information from your computer system. You must assist us in bringing your system on-line with our data collection system at the earliest possible time and maintain this connection. See Exhibit D for a description of our current specifications. The current cost of your computer package is approximately $20,000 to $30,000 which is included in “Computer Equipment and Software” in Item 7.

We and our affiliates may condition any license to you of required or recommended proprietary software, and/or your use of technology developed or maintained by or for us, on your signing a software license agreement, liability waiver, and/or similar document, or otherwise agreeing to the terms (for example, by acknowledging your consent to and accepting the terms of a click-through license agreement), that we and our affiliates periodically prescribe to regulate your use of, and our (or our affiliates') and your respective rights and responsibilities with respect to, the software or technology. We and our affiliates may charge you upfront and ongoing fees for any required or recommended proprietary software or technology that we or our affiliates license to you and for other information system maintenance and support services provided to you.

Despite your obligation to buy, use, and maintain the information system according to our standards and specifications, you have sole and complete responsibility for: (1) acquiring, operating, maintaining, and upgrading the information system; (2) the manner in which your information system interfaces with our and any third party's computer system; (3) any and all consequences if the information system is not properly operated, maintained, and upgraded; and (4) independently determining what is required for you to comply (and then complying) at all times with the most current version of the Payment Card Industry Data Security Standards, and with all laws (including privacy laws) governing the use, disclosure, and protection of consumer data and the information system, and validating compliance with those standards and laws as may be periodically required.

Training

After you sign the Franchise Agreement, we will train you or your Operating Partner, manager, and assistant manager for a minimum of 2 weeks. (Article XII of the Franchise Agreement) Training will be held at our home office in Atlanta, Georgia or other designated restaurant locations that are convenient for us and you. The training program, which runs approximately once per month, will consist of classroom and on-the-job instruction in all phases of restaurant operations, including basic business procedures, equipment operation and maintenance, hiring and training employees, scheduling, basic accounting principles, computer operations, advertising and promotion, purchasing procedures, food preparation, food presentation, food safety, food quality, food portions, food and beverage cost controls, customer service, general maintenance and other topics we select. Our training program is intended to maintain and protect our Marks and System and not to control the day-to-day operations of the Restaurant. Additional training programs are scheduled on an as-needed basis. We use our Manual and other training aids during training.

Our training staff is made up of our Director of Training, Patti Evanosky, and our Chief Operating Officer, James Thompson.

Patti Evanosky has served as our Director of Training since July 2013. She is familiar with and has training in the operation of restaurants since 1995. James Thompson started with us in May 2013 as Vice President of Operations and has served as our Chief Operations Officer since July 2020. Given his positions with us over 9 years, he is familiar with all of our operations and also has experience in franchising restaurants since 2008. We will utilize other members of our staff who have experience in operating Chicken Salad Chick restaurants to provide training assistance to you based on specific aspects of the System in which they have particular experience. Our instructors generally have between 1 and 15 years of experience in this industry that is relevant to our System.

Initial training is provided to you at no additional cost, but you must work in our restaurants at least 30 hours during such 2-week period. You must pay the salaries, fringe benefits, payroll

taxes, unemployment compensation, workers' compensation insurance, travel expenses, lodging, food, automobile rental costs, and all other expenses for all persons who attend training on your behalf. The training must begin 60 days after you sign the Franchise Agreement or within 30 days before the projected opening of your restaurant. You or your Operating Partner and 2 other key employees must successfully complete the initial training program. We will decide whether you successfully complete the initial training program based upon knowledge, test results, and our observations of your ability to use the knowledge effectively.

TRAINING PROGRAM

Column 1 Subject	Column 2 Hours of Classroom Training	Column 3 Hours of on the job Training	Column 4 Location
In-restaurant Prep Training	0	14	Atlanta, Georgia
In-restaurant Sandwich Training	0	11	Atlanta, Georgia
In-restaurant Service Training	0	5	Atlanta, Georgia
Culture	3	0	Atlanta, Georgia
Menu	2	0	Atlanta, Georgia
Guest Service	2	0	Atlanta, Georgia
Operational Systems and Processes	8	0	Atlanta, Georgia
Leadership Skills	7	0	Atlanta, Georgia
Support Systems & Computer Systems	12	0	Atlanta, Georgia
Marketing	1	0	Atlanta, Georgia
Recruitment & Interviewing Selection	3	0	Atlanta, Georgia
Inventory Management	3	0	Atlanta, Georgia
Labor Scheduling	2	0	Atlanta, Georgia
Certification Testing, Graduation and Send-off	2	0	Atlanta, Georgia

Total Hours of Training: 80

After you have successfully completed the training program, and unless you and your affiliates own and operate 2 or more Chicken Salad Chick restaurants, we will arrange for an opening team to assist you with opening your Chicken Salad Chick restaurant for up to 10 days. (Article XII.E of the Franchise Agreement) This opening team will provide opening support at your restaurant with implementing internal controls, training employees, purchasing food, beverages, supplies and other items, implementing accounting procedures, and evaluating initial business operations.

Time to Open

Generally, the opening of your Restaurant will take place within 8 to 12 months after you sign the Franchise Agreement. The restaurant must be open and operating within 13 months from the date the Franchise Agreement is signed. Factors which will affect your opening date include selecting the location for your restaurant, obtaining required licenses, construction or remodeling

of the premises, delivery of your furniture, fixtures, and equipment, acquiring inventory and supplies, obtaining financing (if applicable), hiring and training your employees, and completing the initial training program. You must obtain our approval to open your Chicken Salad Chick restaurant.

Other Assistance During Operation of the Restaurant – After Opening Your Chicken Salad Chick Restaurant:

1. We will provide additional training if, during the franchise term, you hire a new manager who has not attended and successfully completed the initial training program. Your new manager must begin training within 30 days after being hired and must attend and successfully complete the training program. The training program will be conducted in Atlanta, Georgia, at another location we designate or at your restaurant, at our sole discretion. If the training program is conducted at your restaurant, then you must pay us the then-current per day on-site training fee (currently $1,750 per person, per 10-day training session) and reimburse us for expenses we incur in providing the training, including travel, lodging, food, and car rental expenses. You must pay the salaries, fringe benefits, payroll taxes, unemployment compensation, workers compensation insurance, travel expenses, lodging, food, automobile rental costs and all other expenses for each new manager who attends the initial training program on your behalf. (Article XII of the Franchise Agreement)

In addition to the initial training program, we have the right to require you, your Operating Partner, or your managers to attend and successfully complete periodic, refresher or additional training programs. At this time, we do not offer additional training programs, or refresher courses, but may establish them in the future. You, your Operating Partner, your manager or 1 of your key employees must also attend our conferences, whether conducted annually or otherwise, at no charge to you. You must pay the salaries, fringe benefits, payroll taxes, unemployment compensation, workers compensation insurance, travel expenses, lodging, food, automobile rental costs and all other expenses related to the attendance at such conferences. (Article XII.F of the Franchise Agreement)

2. We will provide advisory services by telephone, email or in writing. (Article XIV of the Franchise Agreement)

3. We will furnish all supplements and modifications to the Manual and the menu. (Article IX of the Franchise Agreement)

4. We will provide names and addresses of newly-approved suppliers for the products and services we require for use in your Restaurant. (Article VIII of the Franchise Agreement)

5. We will develop uniform standards of quality, cleanliness, and service to protect and maintain (for the benefit of us and all of our franchisees) the distinction, valuable goodwill and uniformity represented and symbolized by the Marks and the System. (Article VII.A of the Franchise Agreement)

6. We will let you use our Marks and confidential information. (Articles X and XI of the Franchise Agreement)

ITEM 12
TERRITORY

Franchise Agreement

The Franchise Agreement grants you the right to own and operate a Chicken Salad Chick restaurant at a specific location. You may not conduct the business of your restaurant at any other site. The Franchise Agreement does not grant you the right to use other channels of distribution, including the internet. The Franchise Agreement does not provide you with any options, rights of first refusal, or similar rights to acquire additional franchises. If you do not have a site for the Restaurant when you sign the Franchise Agreement, you must look for that site in a geographic area we will identify in the Franchise Agreement. We must accept the site before you may take steps to secure possession by signing a lease.

Our approval for the relocation of your restaurant during the term of the Franchise Agreement is only granted on a case-by-case basis. Under no circumstances will we approve a location that would encroach on the protected area of another franchisee. Our relocation conditions include that the relocation is at a site, and under a lease, we approve within your Protected Area; you have strictly complied with the Franchise Agreement throughout its term; you can commence business at the new location within 120 days after the relocation application is approved and you are not in default of any obligation to a lender or other third party that would materially impact your ability to operate the Restaurant; you continue operating the Restaurant at its original site until we authorize its closure; and, within the timeframe we specify and at your own expense, you take the action we require to de-brand and de-identify the Restaurant's former premises so it no longer is associated in any manner with the System and the Marks.

Once you have located and secured a site for your Restaurant, we will identity a "Protected Area" around that site. (If you have not located the site as of the Franchise Agreement's effective date, the area identified in the Franchise Agreement in which you may look for the Restaurant's proposed site will not determine the size or description of the Protected Area.) Unless we specify otherwise because of the nature of the venue at which or the market within which you intend to operate the Restaurant (for example, a densely-populated urban area, a Non-Traditional Venue, etc., in which case you might receive a small Protected Area or perhaps none at all), the Protected Area will be equal to a 1-mile radius from the Restaurant's front entrance. Continuation of this Protected Area is not dependent upon your achieving a certain sales volume, market penetration or other contingency. We do not have the right to alter your Protected Area during the initial franchise term.

During the franchise term, the Protected Area is exclusive in that we and our affiliates will not operate or grant any right, license, or franchise to operate another Chicken Salad Chick restaurant the physical premises of which is located within the Protected Area. Except for this location exclusivity, we and our affiliates retain all rights with respect to Chicken Salad Chick restaurants, the Marks, the sale of similar or dissimilar products and services, and any other activities we and they deem appropriate, whenever and wherever we and they desire, whether inside or outside the Protected Area. Among other things, we and our affiliates reserve the following rights:

(1) to own and operate, and to allow other franchisees and licensees to own and operate, Chicken Salad Chick restaurants at any physical locations outside the Protected Area (including at the boundary of the Protected Area) and on any terms and conditions we and they deem appropriate;

(2) to offer and sell, and to allow others to offer and sell, both inside and outside the Protected Area, and on any terms and conditions we and they deem appropriate, products and services that are identical or similar to and/or competitive with those offered and sold by Chicken Salad Chick restaurants, whether such products and services are identified by the Marks or other trademarks or service marks, through any advertising media and distribution channels (including the Internet) other than Chicken Salad Chick restaurants physically located within the Protected Area;

(3) to establish and operate, and to allow others to establish and operate, anywhere (including both inside and outside the Protected Area) businesses offering similar products and services under trademarks and service marks other than the Marks;

(4) to acquire the assets or ownership interests of one or more businesses offering and selling products and services similar to those offered and sold at Chicken Salad Chick restaurants (even if such a business operates, franchises, or licenses Competitive Businesses, which are defined in Item 17), and operate, franchise, license, or create similar arrangements for those businesses once acquired, wherever those businesses (or the franchisees or licensees of those businesses) are located or operating, including within the Protected Area;

(5) to be acquired (whether through acquisition of assets, ownership interests, or otherwise, regardless of the transaction form) by a business offering and selling products and services similar to those offered and sold at Chicken Salad Chick restaurants, or by another business, even if such business operates, franchises, or licenses Competitive Businesses inside or outside the Protected Area; and

(6) to engage in all other activities the Franchise Agreement does not expressly prohibit.

We need not compensate you for these permitted activities (which may include catalog sales, telemarketing, or other direct marketing sales). Unless we provide our prior approval, your right to operate the Restaurant is limited to products prepared and sold, and services provided, at the Restaurant's physical location. It does not include the right to distribute products and services over the Internet, on a wholesale basis (for resale to another retailer or wholesaler), or through other supply or distribution channels anywhere (for example, unapproved mobile apps, catalog sales, mail-order sales, infomercials, or telemarketing).

Although we have the right to do so, we and our affiliates have not established, and have no current plans to establish or operate, other franchises or company-owned outlets or another distribution channel selling or leasing similar products or services under a different trademark.

Area Development Agreement

You may (if you qualify) develop and operate a number of Chicken Salad Chick restaurants within a specific area (the "Development Area"). We and you will identify the Development Area in the ADA before signing it. We base the Development Area's size primarily on the number of Chicken Salad Chick restaurants you agree to develop, demographics, residential or commercial character of the area, competitive businesses, and site availability. We will determine the number of restaurants you must develop, and the deadlines for development, to keep your development rights. We and you then will complete the schedule in the ADA before signing it. Under the ADA, we first must accept each new site you propose for each new Chicken Salad Chick restaurant as well as its proposed Protected Area. Our then-current standards for sites and protected areas will apply. We have the right to terminate the ADA if you do not satisfy your development obligations.

You may not develop Chicken Salad Chick restaurants located outside the Development Area. You will not receive an exclusive territory under the ADA. You may face competition from other franchisees, from outlets that we own, or from other channels of distribution or competitive brands that we control. While the ADA is in effect, we (and our affiliates) will not—except as permitted below at or within both "Non-Traditional Venues" and "Restricted Venues" (both defined below)—establish or license anyone other than you to establish a Chicken Salad Chick restaurant the physical premises of which is located in the Development Area.

We and our affiliates reserve the right to establish, and to license third parties to establish, Chicken Salad Chick restaurants at or within both Non-Traditional Venues and Restricted Venues physically located within the Development Area, but only if you cannot or choose not to pursue the opportunity at or within the particular venue when it becomes available, no matter the reason for your not pursuing the opportunity.

A Non-Traditional Venue is defined to mean a captive-venue location, including airports, hospitals or medical centers, limited-access highway food facilities, bus or train locations, entertainment and sports complexes, convention centers, military facilities, schools, colleges, and universities, office facilities, department and retail super-stores, mobile units, off-site sales accounts, convenience stores, supermarkets, shopping malls, home-improvement retailers, and any type of location known colloquially as "virtual kitchens," "ghost kitchens," "ghost operations," or locations that operate on a delivery and/or pick-up only basis. A Restricted Venue is a physical location within the Development Area (which need not be a Non-Traditional Venue) for which that location's owner or manager sets financial, experience, or organizational standards for an acceptable operator that you or your Approved Affiliate does not and cannot satisfy when the opportunity becomes available.

Our, our affiliate's, or another franchisee's or licensee's development of a Chicken Salad Chick restaurant at or within a Non-Traditional Venue or a Restricted Venue physically located in the Development Area does not count toward your compliance with the Development Schedule. Your development of a Chicken Salad Chick restaurant at or within a Non-Traditional Venue (as opposed to at or within a Restricted Venue) physically located in the Development Area likewise does not count toward your compliance with the Development Schedule.

Except for the location rights we grant you (with the noted carve-outs for Non-Traditional Venues and Restricted Venues), we and our affiliates have the right to engage, and to grant to others the right to engage, in any other activities of any nature whatsoever within the Development Area, including all the activities in which we and they reserve the right to engage in the Franchise Agreement.

You must, by the deadlines specified in the Development Schedule, sign franchise agreements and leases for, and then construct, develop, and have open and operating in the Development Area, the number of Restaurants set out in the Development Schedule. We have no obligation under any circumstances to extend the Development Schedule. Your failure to sign franchise agreements and leases for, and then to construct, develop, and have open and operating in the Development Area, Restaurants in accordance with the Development Schedule will be a material breach of the ADA. Upon that default, we have the right to terminate the ADA, terminate the restrictions on our, our affiliates', and our franchisees' development of Chicken Salad Chick restaurants in the Development Area, or reduce the size of the Development Area. However, any franchises entered into under the ADA will remain in full force and effect provided you are not in default under them.

Except as described above, (1) continuation of your territorial rights does not depend on your achieving a certain sales volume, market penetration, or other contingency, and (2) we do not have the right to alter the description of the Development Area. Although we have the right to do so, we and our affiliates have not established, and have no current plans to establish or operate, other franchises or company-owned outlets or another distribution channel selling or leasing similar products or services under a different trademark.

ITEM 13
TRADEMARKS

Under the Franchise Agreement, we grant you the right and license to use the Marks and the System solely in connection with your Restaurant. You may use only the Mark "Chicken Salad Chick" and such other Marks we designate in writing and may use them only in the manner we authorize. You may not directly or indirectly contest our rights in the Marks.

The Mark "The Chicken Salad Chick" was first used in connection with restaurant services at least as early as January 2008. The Chicken Salad Chick is registered on the Principal Register of the United States Patent and Trademark Office ("PTO"):

THE CHICKEN SALAD CHICK
Registration Number: 3,725,129 (Class 43)
Date: December 15, 2009

The Mark "Chicken Salad Chick" and Design was first used in connection with restaurant services at least as early as January 18, 2012. Chick Salad Chick is registered on the PTO's Principal Register:

CHICKEN SALAD CHICK AND DESIGN
Registration Number: 4,310,357 (Class 43)
Date: March 26, 2013

The Mark "A Simple Concept, A Superb Experience" was first used in connection with restaurant services at least as early as April 2011. A Simple Concept, A Superb Experience, is registered on the PTO's Principal Register:

A SIMPLE CONCEPT, A SUPERB EXPERIENCE
Registration Number: 4,205,558 (Class 43)
Date: September 11, 2012

These Marks were assigned to us in November 2012.

In addition, we hold the following trademarks and service marks on the PTO's Principal Register:

CravingCredits
Registration Number: 4,831,236 (Class 35)
Date: October 13, 2015

Quick Chick
Registration Number: 4,931,657 (Class 29)
Date: April 5, 2016

Little Chicks
Registration Number: 5,183,389 and 5,183,388 (Class 43)
Date: April 11, 2017

We have also filed the following application on the PTO's Federal Register, based on intent to use the trademark:

SPREAD JOY ENRICH LIVES SERVE OTHERS
Application Number: 88,703,379
Date: November 22, 2019

We do not have a federal registration for this last principal trademark. Therefore, our trademark does not have many legal benefits and rights as a federally-registered trademark. If our right to use the trademark is challenged, you may have to change to an alternative trademark, which may increase your expenses.

We have filed (or intend to file) all required affidavits when due and have renewed (or intend to renew) all trademark registrations for the trademarks that remain important to the Chicken Salad Chick brand.

There are no currently-effective material determinations of the PTO, the Trademark Trial and Appeal Board, or any state trademark administrator or court, and no pending infringement, opposition, or cancellation proceedings or material litigation, involving the principal Marks. We do not actually know of either superior prior rights or infringing uses that could materially affect your use of the Marks in any state where we currently intend to offer franchises. No agreements significantly limit our right to use or license the use of the Marks in a manner material to the franchise.

The Franchise Agreement grants you the right to use our current and future Marks to identify the products and or services offered by Chicken Salad Chick restaurants. We have the right to require you to modify or discontinue your use of any of the Marks. If we exercise this right, we will provide advance notice to all franchisees. We will have no liability or obligation for your modification or discontinuance of any Mark or promotion of a substitute trademark, service mark or trade dress. We need not reimburse your expenses to comply with those directions (such as your costs to change signs or to replace supplies for the Restaurant), any loss of revenue due to any modified or discontinued Mark, or your expenses to promote a modified or substitute trademark or service mark or trade dress.

You must follow our rules when using our Marks. You must receive our approval when choosing your corporate name and cannot use the Marks as a part of the corporate or other legal entity name or with modifying words, designs, or symbols without our consent. All of your usage of the Marks and any goodwill you establish are to our exclusive benefit; you retain no right in the Mark on termination or expiration of the Franchise Agreement. You must also obtain fictitious or assumed-name registrations as we require, or under applicable law.

The Franchise Agreement does not contain any provisions under which we are required to defend or indemnify you against any claims of infringement or unfair competition arising out of your use of the Mark. You must immediately notify us of any apparent infringement or challenge to your use of any Mark or claim by any person of any rights to any Mark. We will have the sole discretion to take any action we deem appropriate (or no action) and will have the right to control exclusively any litigation or PTO or other administrative proceedings arising out of any infringement, challenge or claim or otherwise relating to any Mark. You must execute any and all

instruments and documents, provide assistance, and do such things as, in the opinion of our counsel, may be necessary or advisable to protect our interest in any litigation or PTO or other proceeding or otherwise to protect our interest in the Mark. We have no obligation under the Franchise Agreement to protect you against or reimburse you for any damages for which you are held liable.

You are not granted any trademark or service mark rights under the ADA.

ITEM 14
PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

We own no rights in or to any patents or patent applications that are material to the franchise. We claim copyright protection of our Manual and related materials, our form Franchise Agreement, advertising and promotional materials, Restaurant blueprints and other design features, our website, menus, and other items used in operating Chicken Salad Chick restaurants. We have not registered these copyrights with the United States Copyright Office but currently need not do so to protect them. You must use them only as provided in the Franchise Agreement. You have no other rights under the Franchise Agreement with respect to a copyrighted item if we require you to modify or discontinue using the subject matter covered by the copyright.

There currently are no effective adverse material determinations of the PTO, the United States Copyright Office, or any court regarding the copyrighted materials. We do not actually know of any infringing uses of our copyrights that could materially affect your using them in any state. We need not protect or defend copyrights, although we intend to do so if in the system's best interests. We have the right to control any action we choose to bring, even if you voluntarily bring the matter to our attention. You must follow any instructions we give you. We need not participate in your defense of and/or indemnify you for damages or expenses incurred in a copyright proceeding. There are no agreements in effect which significantly limit our right to use or license the use of the copyrighted materials.

We will disclose to you certain confidential and proprietary information and trade secrets, consisting of information in the Manual and brand-specific standards, specifications, operating procedures, and rules; site evaluation criteria for Chicken Salad Chick restaurants; layouts, designs, and other plans for Chicken Salad Chick restaurants; methods, formats, specifications, standards, systems, procedures, sales and marketing techniques, and knowledge and experience used in developing and operating Chicken Salad Chick restaurants; marketing research and promotional, marketing, and advertising programs for Chicken Salad Chick restaurants; the standards, processes, information, and technologies involved in creating, developing, operating, maintaining, and enhancing digital and other sales platforms; strategic plans, including expansion strategies and targeted demographics; knowledge of specifications for and suppliers of, and methods of ordering, certain operating assets, products, services, materials, and supplies that Chicken Salad Chick restaurants use and sell; knowledge of the operating results and financial performance of Chicken Salad Chick restaurants other than your Restaurant; customer solicitation, communication, and retention programs, along with data used or generated in connection with those programs; and any other information we reasonably designate as confidential or proprietary. Except as is necessary in connection with the operation of the Chicken Salad Chick restaurant and only as we approve, you may not use for your own benefit or communicate to any other person any of our trade secrets and confidential information. You may disclose to your employees only such information and trade secrets as are necessary to protect your business and then only while the Franchise Agreement is in effect. You must have your key personnel sign a confidentiality agreement protecting our trade secrets and confidential information.

You must comply with our reasonable instructions regarding the organizational, physical, administrative, and technical measures and security procedures to safeguard the confidentiality and security of the names, addresses, telephone numbers, e-mail addresses, dates of birth, demographic or related information, buying habits, preferences, credit-card information, and other personally-identifiable information of customers ("Consumer Data") and, in any event, employ reasonable means to safeguard the confidentiality and security of Consumer Data. You must comply with all laws governing the use, protection, and disclosure of Consumer Data.

If there is a "Data Security Incident" at the Restaurant, you must notify us immediately after becoming aware of the actual or suspected occurrence, specify the extent to which Consumer Data was compromised or disclosed, and comply and cooperate with our instructions for addressing the Data Security Incident in order to protect Consumer Data and the Chicken Salad Chick restaurant brand (including giving us or our designee access to your information system, whether remotely or at the Restaurant). We (and our designated affiliates) have the right, but no obligation, to take any action or pursue any proceeding or litigation with respect to the Data Security Incident, control the direction and handling of such action, proceeding, or litigation, and control any remediation efforts.

The ADA does not grant you rights to use any intellectual property. These rights arise only under Franchise Agreements signed with us.

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

We require you or your Operating Partner (an owner with at least a 10% interest in you) to participate personally in or directly supervise the operation of your Restaurant. You or your Operating Partner will control, supervise, and manage all employees, agents, and independent contractors who work for or with you. Your Restaurant must be open during the business hours specified in the Operations Manual.

The Operating Partner responsible for operating and managing your Restaurant must be dedicated to operating your Restaurant and may not hold an interest in, operate or manage any other business without our prior written approval. The Restaurant must have a dedicated General Manager at the Restaurant every day (if the Operating Partner will not operate the Restaurant on-site each day). That General Manager need not have an equity interest in you or the Restaurant. All management personnel must complete our training program and sign confidentiality agreements. However, we do not limit whom you may hire as a General Manager (or assistant manager), as you control your hiring practices and employment relations.

If you enter into a Franchise Agreement and the franchisee is not an individual, each owner holding a 10% or greater ownership interest in you must personally guarantee all of the franchisee's obligations to us under the Franchise Agreement (see Guaranty and Assumption of Obligations following the signature page of the Franchise Agreement). You and your owners also must agree to certain non-compete provisions. An owner's spouse need not sign the Guaranty unless that spouse has an ownership interest in you.

Under no circumstances will we control the forms or terms of employment agreements you use with Restaurant employees or otherwise be responsible for your labor relations or employment practices.

ITEM 16
RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

/The Restaurant must offer for sale all products and services we periodically specify. The Restaurant may not offer, sell, or otherwise distribute at the Restaurant premises or another location any products or services we have not authorized. There are no limits on our right to modify the products and services your Restaurant must or may offer and sell (although we do not have the right to require you to cease operating as a quick-service restaurant or to begin operating a business completely unrelated to that of a restaurant). We have the right to change such products and services from time to time and from market to market based on numerous considerations. We have the right to issue price advertising policies and to regulate the maximum, minimum, or other pricing requirements for products and services the Restaurant sells, including requirements for national, regional, and local promotions, special offers, and discounts in which some or all Chicken Salad Chick restaurants must participate, in each case to the maximum extent that applicable law allows. For example, we have the right to require you to participate, in the manner that we specify, in any national or regional brand events or promotions throughout the year that we specify for the System.

Unless we provide our prior approval, your right to operate the Restaurant is limited to products prepared and sold, and services provided, at the Restaurant's physical location. It does not include the right to distribute products and services over the Internet, on a wholesale basis (for resale to another retailer or wholesaler), or through other supply or distribution channels anywhere (for example, unapproved mobile apps, catalog sales, mail-order sales, infomercials, or telemarketing). There otherwise are no limits on the customers to whom your Restaurant may sell products. You must comply with our standards before offering or providing delivery, whether for a fee or not, of any food, food product, beverage, or other item offered for sale in connection with the Restaurant and before offering or providing catering services in connection with the Restaurant.

ITEM 17
RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION

THE FRANCHISE RELATIONSHIP

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

FRANCHISE AGREEMENT

Provision	Section in franchise or other agreement	Summary
a. Length of the franchise term	Article II.A of Franchise Agreement and Section 6 of Rider for Renewal Franchise	10 years from Franchise Agreement's effective date. If you have renewal-franchise rights and are exercising them because your existing franchise soon will expire, the renewal-franchise term is 10 years.

Provision	Section in franchise or other agreement	Summary
b. Renewal or extension of the term	Article II.B of Franchise Agreement and Section 6 of Rider for Renewal Franchise	Three 10-year renewals if you meet stated renewal requirements as of the end of each term. If you have renewal-franchise rights and are exercising them for first time because your existing franchise soon will expire, you have renewal-franchise rights for 2 additional 10-year franchise terms after the next term expires.
c. Requirements for franchisee to renew or extend	Article II.B of Franchise Agreement and Section 6 of Rider for Renewal Franchise	Written notice to us; complete renovation and remodeling of premises; not in default; satisfied monetary obligations to us; right to premises for renewal term; sign our then-current form of franchise agreement; sign release (subject to state law); meet current qualifications and training requirements; and pay renewal fee (see Item 6). You must sign a new franchise agreement the terms of which may differ materially and substantially from the terms of your current Franchise Agreement, including higher fees and a modified or smaller Protected Area.
d. Termination by franchisee	Article XVIII.F of Franchise Agreement	If we breach Franchise Agreement and do not cure default within applicable cure period after notice from you; you may not terminate without cause
e. Termination by franchisor without cause	None	We do not have the right to terminate your Franchise Agreement without cause.
f. Termination by franchisor with cause	Article XVIII of Franchise Agreement	We have the right to terminate your Franchise Agreement only if you or your owners commit one of several violations. While termination of the ADA does not impact any then-effective franchise agreements, termination of a franchise agreement entitles us to terminate the ADA.
g. “Cause” defined – curable defaults	Articles XVIII.A and B of Franchise Agreement	You have 10 days to cure payment and insurance defaults, 10 days to satisfy unpaid judgments of at least $25,000, 30 days to cure other defaults not listed in (h) below, and 60 days to vacate attachment, seizure, or levy of Restaurant or appointment of receiver, trustee, or liquidator. You must immediately begin correcting violations of material law and correct

Provision	Section in franchise or other agreement	Summary
		them within time the law allows. While termination of the ADA does not impact any then-effective franchise agreements, termination of a franchise agreement entitles us to terminate the ADA.
h. "Cause" defined – non-curable defaults	Article XVIII.A of Franchise Agreement	Non-curable defaults include: material misrepresentation or omission; failure to find and secure acceptable Restaurant site by deadline; failure to develop and open Restaurant (with fully-trained staff) by deadline; abandonment or failure to operate Restaurant for more than 3 consecutive business days; unapproved transfer; felony conviction or guilty plea; dishonest, unethical, or immoral conduct adversely impacting our Marks; foreclosure on Restaurant's assets; misuse of confidential information; violation of non-compete; material underreporting of Gross Sales; disabling Restaurant's information/computer system; failure to pay taxes due; repeated defaults; assignment for benefit of creditors or admission of inability to pay debts when due; violation of anti-terrorism laws; losing right to Restaurant premises; causing or contributing to a data security incident or failure to comply with requirements to protect Consumer Data; or we send notice of termination under another franchise agreement with you or your affiliates, or you or your affiliates terminate another franchise agreement with us without cause. While termination of the ADA does not impact any then-effective franchise agreements, termination of a franchise agreement entitles us to terminate the ADA.
i. Franchisee's obligations on termination/non-renewal	Article XIX of Franchise Agreement	Cease operating Restaurant and using names and Marks; completely deidentify premises within 30 days; pay us amounts owed; return Manual; comply with non-compete provisions (see "r" below); and assign telephone numbers. We have the right to assume Restaurant's management while deciding whether to buy Restaurant's assets (see "o" below).

Provision	Section in franchise or other agreement	Summary
j. Assignment of contract by franchisor	Article XVII.A of Franchise Agreement	No restriction on our right to assign; we have the right to assign without your approval.
k. "Transfer" by franchisee – defined	Article XVII.B of Franchise Agreement	Includes pledge, gift or assignment of the Franchise Agreement or the Restaurant, or ownership change of any kind.
l. Franchisor approval of transfer by franchisee	Article XVII.B of Franchise Agreement	We must approve any transfer but will not unreasonably withhold approval if you meet our conditions.
m. Conditions for franchisor approval of transfer	Article XVII.B of Franchise Agreement	All obligations to us are satisfied; sign release (to extent allowed by state law); transferee must qualify by meeting our standards; transferee (at our option) assumes your Franchise Agreement or signs our then-current form of franchise agreement and other documents for unexpired portion of your original franchise term (then-current form may have materially different terms, except that your original Continuing Royalty Fee and Brand Fund contribution levels will remain the same for the unexpired portion of your original franchise term); complete training; pay transfer fee (see Item 6); sign non-competition agreement; and buyer's financial obligations to you are subordinated to its contractual obligations to us.
n. Franchisor's right of first refusal to acquire franchisee's business	Article XVII.E of Franchise Agreement	We can match any offer for your Restaurant or ownership interest in you or entity that controls you.
o. Franchisor's option to purchase franchisee's business	Article XIX.F of Franchise Agreement	Upon expiration or termination of Franchise Agreement, we can purchase your business and/or assets at fair market value.
p. Death or disability of franchisee	Articles XVII.F and XVII.G of Franchise Agreement	Must be transferred to a qualified person within a reasonable time; we have the right to operate Restaurant in interim if it is not then managed properly.

Provision	Section in franchise or other agreement	Summary
q. Non-competition covenants during the term of the franchise	Article XX.A of Franchise Agreement	No owning interest in or performing services for competitive business, wherever located or operating, and no diverting business to competitor. “Competitive Business” means any fast-casual restaurant business that sells chicken salad and that is the same as or substantially similar to the Chicken Salad Chick restaurant concept, as it evolves or changes over time (includes any entity granting franchises or licenses to operate a Competitive Business).
r. Non-competition covenants after the franchise is terminated or expires	Article XX.B of Franchise Agreement	For 18 months after franchise term, no owning interest in or performing services for Competitive Business within 5 miles from Restaurant’s former premises, within 5 miles of any Chicken Salad Chick restaurant then in operation or under construction, or granting franchises or licenses to operate a Competitive Business.
s. Modification of the agreement	Article XXV of Franchise Agreement	No modification except by written agreement signed by both parties; we have the right to modify our Manual and System standards.
t. Integration/merger clause	Article XXV of Franchise Agreement	Only the terms of the Franchise Agreement are binding (subject to state law). No other representations or promises will be binding. Nothing in the Franchise Agreement or in any other related written agreement is intended to disclaim representations made in this franchise disclosure document.
u. Dispute resolution by arbitration or mediation	Article XXVIII of Franchise Agreement	We and you must arbitrate all disputes within 10 miles of where we (or then-current franchisor) have our principal business address when the arbitration demand is filed (it currently is in Atlanta, Georgia).
v. Choice of forum	Article XXVII.B of Franchise Agreement	Subject to arbitration requirements, litigation must be (with limited exception) in courts closest to where we (or then-current franchisor) have our principal business address when the action is commenced (it currently is in Atlanta, Georgia) (subject to applicable state law).
w. Choice of law	Article XXVII.A of Franchise Agreement	Federal law and Georgia generally apply (subject to state law). Non-competition provisions governed by law of state in which Restaurant is located.

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

AREA DEVELOPMENT AGREEMENT

Provision	Section in area development or other agreement	Summary
a. Length of the franchise term	Section IV	ADA term depends on development obligations. ADA term expires automatically without notice from us on the date on which the final Restaurant to be developed under the Development Schedule must be open and operating in the Development Area.
b. Renewal or extension of the term	None	Not Applicable
c. Requirements for franchisee to renew or extend	None	Not Applicable
d. Termination by franchisee	None	Not Applicable
e. Termination by franchisor without cause	None	We do not have the right to terminate your ADA without cause.
f. Termination by franchisor with cause	Section V	We can terminate only if you default. While termination of the ADA does not impact any then-effective franchise agreements, termination of a franchise agreement entitles us to terminate the ADA.
g. "Cause" defined – curable defaults	Section V.C(2)	You have 30 days to cure any default not specified in (h) below. While termination of the ADA does not impact any then-effective franchise agreements, termination of a franchise agreement entitles us to terminate the ADA.
h. "Cause" defined – non-curable defaults	Sections V.B. and V.C.	Failure to meet development schedule; insolvency or bankruptcy, receivership, or assignment for benefit of creditors; unauthorized attempt to assign or transfer; misuse of Marks or System; conviction of felony; false or misleading statements; you terminate any franchise agreement with us; or you take any action or fail to take any action as a result of which we terminate franchise agreement with you.

Provision	Section in area development or other agreement	Summary
		While termination of the ADA does not impact any then-effective franchise agreements, termination of a franchise agreement entitles us to terminate the ADA.
i. Franchisee's obligations on termination/non-renewal	Section VII	Comply with covenants.
j. Assignment of contract by franchisor	Section VI.A.	No restriction on our right to assign; we have the right to assign without your approval.
k. "Transfer" by franchisee - defined	Section VI.B.	Includes pledge, gift or assignment of the ADA or ownership change of Developer of any kind.
l. Franchisor approval of transfer by franchisee	Section VI.B	We must approve any transfer but will not unreasonably withhold approval if you meet our conditions which are set forth in the Franchise Agreement and incorporated by reference.
m. Conditions for franchisor approval of transfer	Section VI.B.	We must approve any transfer but will not unreasonably withhold approval if you meet our conditions which are set forth in the Franchise Agreement and incorporated by reference.
n. Franchisor's right of first refusal to acquire franchisee's business	None	Not Applicable
o. Franchisor's option to purchase franchisee's business	None	Not Applicable
p. Death or disability of franchisee	Section VI.B.	Must be transferred to a qualified person within a reasonable time.
q. Non-competition covenants during the term of the franchise	Section VII	No owning interest in or performing services for competitive business, wherever located or operating and no diverting business to competitor. "Competitive Business" means any fast-casual restaurant business that sells chicken salad and that is the same as or substantially similar to the Chicken Salad Chick restaurant concept, as it evolves or changes over time (includes any entity granting franchises or licenses to operate a Competitive Business).

Provision	Section in area development or other agreement	Summary
r. Non-competition covenants after the franchise is terminated or expires	Section VII	For 18 months, no owning interest in or performing services for Competitive Business within the Development Area, within 5 miles of any Chicken Salad Chick restaurant then in operation or under construction, or granting franchises or licenses to operate a Competitive Business.
s. Modification of the agreement	Section XII	No modification except by written agreement signed by both parties.
t. Integration/merger clause	Section XII	Only the terms of the ADA are binding (subject to state law). No other representations or promises will be binding. Nothing in the ADA or in any other related written agreement is intended to disclaim representations made in this franchise disclosure document.
u. Dispute resolution by arbitration or mediation	Section XIV	We and you must arbitrate all disputes within 10 miles of where we (or then-current franchisor) have our principal business address when the arbitration demand is filed (it currently is in Atlanta, Georgia).
v. Choice of forum	Section XIV.A.	We and you must arbitrate all disputes within 10 miles of where we (or then-current franchisor) have our principal business address when the arbitration demand is filed (it currently is in Atlanta, Georgia).
w. Choice of law	Section XII.	Federal law and Georgia apply (subject to state law).

ITEM 18
PUBLIC FIGURES

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

ITEM 19
FINANCIAL PERFORMANCE REPRESENTATIONS

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

This historical financial performance representation discloses the average, median, and high/low annual gross sales of 144 franchised (Chart 1) and 54 affiliate-owned (Chart 2) Chicken Salad Chick Restaurants in the United States that were open and operating during all of 2022. (All affiliate-owned Chicken Salad Chick Restaurants disclosed in this Item 19 are owned and operated by our affiliate SSRG II, LLC. Of the 54 affiliate-owned Restaurants, 3 Restaurants (in Florida) were acquired from a franchisee by our affiliate SSRG II, LLC on January 23, 2022. Because SSRG II, LLC owned and operated these 3 Restaurants for almost all of 2022, their operating results are included with SSRG II, LLC's other Restaurants.

This financial performance representation does not include the results of 31 Chicken Salad Chick Restaurants:

(1) 15 franchised Restaurants and 9 affiliate-owned Restaurants that opened during 2022 (and therefore were not open for the full calendar year);

(2) 4 franchised Restaurants that permanently closed during 2022 (and therefore were not open for the full calendar year);

(3) 1 affiliate-owned Restaurant operated on a college campus in Alabama that is not open year-round; and

(4) 2 franchised Restaurants (both in Georgia) that were acquired by our affiliate SSRG II, LLC during 2022. (These 2 Restaurants are excluded from this Item 19 because their operations during 2022 were substantially split between the franchisees and our affiliate.)

Besides the annual gross sales of the 144 franchised and 54 affiliate-owned Chicken Salad Chick Restaurants in the United States that were open and operating during all of 2022, this financial performance representation contains an actual average and median partial operating financial statement for 2022 for the affiliate-owned and operated Chicken Salad Chick Restaurants (Chart 3).

All of the Chicken Salad Chick Restaurants (both franchised and affiliate-owned) whose information is included in this Item 19 are both substantially similar to one another in terms of products and services offered and substantially similar to the Chicken Salad Chick Restaurants for which we are offering franchises in this disclosure document. We did not materially change the Chicken Salad Chick Restaurant franchise concept or business model due to the COVID-19 pandemic.

We obtained the gross sales information for franchised Restaurants from sales reports submitted by franchisees. "Gross Sales" is defined as the amount of all sales of food, beverages, and services by a Restaurant, including off-premises or on-premises catering sales, less applicable sales tax. All coupons and discounts are deducted and netted out from Gross Sales. We obtained the detailed Restaurant-level operating information for affiliate-owned Restaurants from SSRG II, LLC. We have not independently audited any information submitted to us.

The actual average, median, and high/low annual gross sales volumes reported below do not reflect the costs of sales, operating expenses, or other costs or expenses that must be deducted from the gross sales figures to obtain your net income or profit. You should independently investigate the costs and expenses you will incur in operating your Chicken Salad Chick Restaurant. Franchisees or former franchisees, listed in this disclosure document, may be one source of this information.

Chart 1—Franchised Restaurants (Sales)

	2022 Results for 144 Franchised Restaurants Open During all of 2022
Number of Restaurants in Range	144
Average Unit Volume	$1,406,088
Highest Sales	$2,490,082
Lowest Sales	$550,718
Number & Percentage of Restaurants Exceeding Average	64 / 44%
Median Unit Volume	$1,360,651

Chart 2—Affiliate-Owned Restaurants (Sales)

	2022 Results for 54 Affiliate-Owned Restaurants Open During all of 2022
Number of Restaurants in Range	54
Average Unit Volume	$1,429,041
Highest Sales	$2,448,550
Lowest Sales	$678,785
Number & Percentage of Restaurants Exceeding Average	30 / 56%
Median Unit Volume	$1,450,724

Chart 3
(Average and Median Partial Operating Financial Statement
For Affiliate-Owned Owned and Operated Restaurants)

	Average of 54 Affiliate-Owned Restaurants Operated for a Full Year in 2022	Percentage of Total Sales	Number & Percentage of 54 Affiliate-Owned Restaurants Exceeding the Average	Median
Total Gross Sales	$1,429,041	100.00%	30 / 56%	$1,450,724
Total Cost of Goods Sold[1]	$495,797	34.69%	29 / 66%	$500,343
Total Payroll & Related[2]	$381,828	26.72%	26 / 59%	$374,037
Total Prime Costs[3]	$877,625	61.41%	28 / 64%	$885,060
Total Operating Expenses[4]	$99,273	6.95%	27 / 61%	$99,007
Total Non-Controllable Expenses[5]	$64,086	4.48%	26 / 59%	$119,778
Total Occupancy Costs[6]	$123,529	8.64%	24 / 55%	$119,152
Local Marketing Expense	$41,805	2.93%	29 / 66%	$42,525
Brand Fund Fee[7]	$28,581	2.00%	30 / 68%	$29,014
EBITDA[8]	$194,143	13.59.%	28 / 64%	$156,188, (10.77%)
Royalty Fee[9]	$71,452	5%		$72,536
Adjusted EBITDA[10]	$122,691	8.59%		$83,652 (5.77%)

Subset of "Total Payroll & Related" (above)

Total Restaurant Level Salary	$110,312	7.72%	26 / 59%	$109,247

Notes:

1. Total Cost of Goods Sold: This includes the cost of all food, beverages, delivery services, and paper goods used in the Restaurants. A franchisee in a new market with less than 3 open Restaurants could expect that its Cost of Goods Sold will be higher, likely ranging between an additional 1% and 2% of total sales. Some proprietary items might not be stocked by our local distributor, causing an increase in freight costs.

2. Total Payroll & Related: This includes all salaries, hourly wages, bonuses, payroll taxes, and benefits paid at each affiliate-owned Restaurant.

3. Total Prime Costs: This is the sum of Cost of Goods Sold plus Payroll & Related.

4. Total Operating Expenses: These include disposables, restaurant supplies, travel expenses, cleaning supplies, linen, uniforms, pest control, delivery expense, music, technology, permits, licenses, office supplies, postage, equipment rental, trash removal, and professional services.

5. Total Non-Controllable Expenses: These include bank fees, phone and internet, utilities, and repairs and maintenance. An additional non-controllable expense is the cost of chicken, a main ingredient for Chicken Salad Chick Restaurants. In 2022, the price of jumbo chicken tenders began at $2.52 per pound and increased during the first 5 months to a 9-year high of $3.46 a pound, remaining at this price for approximately 10 weeks before beginning to decline. As a comparison, the price for the same ingredient at the end of the first quarter of 2023 was approximately $1.32 per pound.

6. Total Occupancy Costs: These include base rent, common area maintenance, property taxes, and insurance.

7. Brand Fund Fee: Each affiliate-owned Restaurant contributes to the Brand Fund the same 2% of gross sales contributed by franchisees.

8. The EBITDA calculation uses the following formula: Total Gross Sales minus (i) Total Prime Costs, (ii) Total Operating Expenses, (iii) Total Non-Controllable Expenses, (iv) Total Occupancy Costs, and (v) Local Marketing Expense and Brand Fund Fee=EBITDA.

9. Royalty Fee: Affiliate-owned Restaurants do not pay Royalties. This line-item represents the Royalty Fee of 5% that franchisees would pay had they operated these Restaurants under our Franchise Agreement.

10. Adjusted EBITDA: This calculation is EBITDA minus Royalty Fee.

Some Chicken Salad Chick Restaurants have earned these amounts. Your individual results may differ. There is no assurance that you will earn as much.

Written substantiation of all financial performance information presented in this financial performance representation will be made available to you upon reasonable request.

Other than the preceding financial performance representation, we do not make any financial performance representations. 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 President, Scott Deviney, 2839 Paces Ferry Road SE, Ste. 500, Atlanta, Georgia 30339, (470) 607-5550, the Federal Trade Commission, and the appropriate state regulatory agencies.

ITEM 20
OUTLETS AND FRANCHISEE INFORMATION

The "Company-Owned" outlets appearing in the tables below are owned by our affiliate SSRG II, LLC. The numbers in the tables are as of December 31 in each year.

Table No. 1

Systemwide Outlet Summary for Years 2020 to 2022

Column 1 Outlet Type	Column 2 Year	Column 3 Outlets at the Start of the Year	Column 4 Outlets at the End of the Year	Column 5 Net Change
Franchised	2020	102	131	+29
	2021	131	153	+22
	2022	153	159	+6
Company-Owned	2020	42	45	+3
	2021	45	52	+7
	2022	52	66	+12
Total Outlets	2020	144	176	+32
	2021	176	205	+29
	2022	205	225	+20

[Table 2 begins on next page]

Table No. 2

Transfers of Outlets from Franchisees to New Owners (Other than the Franchisor) for Years 2020 to 2022

Column 1 State	Column 2 Year	Column 3 Number of Transfers
Alabama	2020	0
	2021	3
	2022	0
Arkansas	2020	0
	2021	0
	2022	1
Florida	2020	0
	2021	1
	2022	0
Georgia	2020	0
	2021	1
	2022	0
Virginia	2020	0
	2021	0
	2022	2
Total	2020	0
	2021	5
	2022	3

Table No. 3

Status of Franchised Outlets for Years 2020 to 2022

Col. 1 State	Col. 2 Year	Col. 3 Outlets at Start of Year	Col. 4 Outlets Opened	Col. 5 Termi-nations	Col. 6 Non-Renewals	Col. 7 Reacquired by Franchisor	Col. 8 Ceased Operations – Other Reasons	Col. 9 Outlets at End of the Year
Alabama	2020	12	1	0	0	0	0	13
	2021	13	1	0	0	0	0	14
	2022	14	0	0	0	0	0	14
Arkansas	2020	2	2	0	0	0	0	4
	2021	4	0	0	0	0	0	4
	2022	4	2	0	0	0	0	6
Florida	2020	21	2	0	0	0	0	23
	2021	23	5	0	0	0	1	27
	2022	27	4	0	0	3	0	28
Georgia	2020	13	2	0	0	0	0	15
	2021	15	3	0	0	0	0	18
	2022	18	0	0	0	2	0	16

Col. 1 State	Col. 2 Year	Col. 3 Outlets at Start of Year	Col. 4 Outlets Opened	Col. 5 Termi-nations	Col. 6 Non-Renewals	Col. 7 Reacquired by Franchisor	Col. 8 Ceased Operations – Other Reasons	Col. 9 Outlets at End of the Year
Illinois	2020	1	1	0	0	0	0	2
	2021	2	1	0	0	0	0	3
	2022	3	0	0	0	0	0	3
Indiana	2020	0	1	0	0	0	0	1
	2021	1	1	0	0	0	0	2
	2022	2	0	0	0	0	0	2
Kentucky	2020	1	1	0	0	0	0	2
	2021	2	2	0	0	0	0	4
	2022	4	0	0	0	0	0	4
Louisiana	2020	7	3	0	0	0	1	9
	2021	9	2	0	0	0	0	11
	2022	11	1	0	0	0	0	12
Mississi-ppi	2020	6	2	0	0	0	0	8
	2021	8	0	0	0	0	0	8
	2022	8	0	0	0	0	0	8
Missouri	2020	0	2	0	0	0	0	2
	2021	2	0	0	0	0	0	2
	2022	2	2	0	0	0	0	4
North Carolina	2020	7	2	0	0	0	1	8
	2021	8	0	0	0	0	0	8
	2022	8	3	0	0	0	0	11
Ohio	2020	2	0	0	0	0	0	2
	2021	2	0	0	0	0	0	2
	2022	2	0	0	0	0	0	2
Oklahoma	2020	3	2*	0	0	0	1*	4
	2021	4	0	0	0	0	0	4
	2022	4	0	0	0	0	4	0
South Carolina	2020	9	1	0	0	0	0	10
	2021	10	2	0	0	0	0	12
	2022	12	0	0	0	0	0	12
Tenn-essee	2020	6**	1	0	0	0	0	7
	2021	7	2	0	0	0	0	9
	2022	9	0	0	0	0	0	9
Texas	2020	11	8	0	0	0	0	19
	2021	19	1	0	0	0	0	20
	2022	20	3	0	0	0	0	23
Virginia	2020	1	1	0	0	0	0	2
	2021	2	3	0	0	0	0	5
	2022	5	0	0	0	0	0	5
Totals	2020	102	32	0	0	0	3	131
	2021	131	23	0	0	0	1	153
	2022	153	15	0	0	5	4	159

* One new franchised Restaurant in Oklahoma opened and closed during 2020.

**One franchised Restaurant in Tennessee that was open at the beginning of 2020 relocated to a different city in Tennessee during 2020. It is not reflected as a new opening or closure during 2020.

Table No. 4

Status of Company-Owned Outlets for Years 2020 to 2022

Col. 1 State	Col. 2 Year	Col. 3 Outlets at Start of Year	Col. 4 Outlets Opened	Col. 5 Outlets Reacquired from Franchisee	Col. 6 Outlets Closed	Col. 7 Outlets Sold to Franchisee	Col. 8 Outlets at End of The Year
Alabama	2020	13	1	0	1	0	13
	2021	13	0	0	0	0	13
	2022	13	0	0	0	0	13
Florida	2020	2	0	0	0	0	2
	2021	2	0	0	0	0	2
	2022	2	0	3	0	0	5
Georgia	2020	14	3	0	1	0	16
	2021	16	2	0	0	0	18
	2022	18	3	2	0	0	23
Indiana	2020	0	0	0	0	0	0
	2021	0	3	0	0	0	3
	2022	3	3	0	0	0	6
Kentucky	2020	0	1	0	0	0	1
	2021	1	1	0	0	0	2
	2022	2	0	0	0	0	2
Mississippi	2020	1	0	0	0	0	1
	2021	1	0	0	0	0	1
	2022	1	0	0	0	0	1
Missouri	2020	2	0	0	0	2	0
	2021	0	0	0	0	0	0
	2022	0	0	0	0	0	0
Ohio	2020	2	1	0	0	0	3
	2021	3	1	0	0	0	4
	2022	4	0	0	0	0	4
Tennessee	2020	8	1	0	0	0	9
	2021	9	0	0	0	0	9
	2022	9	3	0	0	0	12
Totals	2020	42	7	0	2	2	45
	2021	45	7	0	0	0	52
	2022	52	9	5	0	0	66

Table No. 5

Projected Openings as of December 31, 2022

Column 1 State	Column 2 Franchise Agreements Signed but Outlet Not Opened	Column 3 Projected New Franchised Outlet in the Next Fiscal Year	Column 4 Projected New Company-Owned Outlet in the Next Fiscal Year
Alabama	2	1	1
Arkansas	1	0	0
Colorado	3	3	0
Florida	6	2	0
Illinois	2	2	0
Kentucky	1	1	1
New Mexico	1	0	0
North Carolina	2	1	0
Texas	4	9	0
Virginia	2	0	0
Totals	24	19	2

The names, addresses, and telephone numbers of our franchisees and their restaurants as of December 31, 2022, are set forth on Exhibit G. Exhibit G also includes a list of our franchisees that had Chicken Salad Chick Restaurants terminated, canceled, or not renewed, or that otherwise voluntarily or involuntarily ceased doing business under our Franchise Agreement or ADA, during our last fiscal year or that have not communicated with us within 10 weeks of this Disclosure Document's issuance date. If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system**.**

During our last 3 fiscal years, one franchisee signed a confidentiality clause. In some instances, current and former franchisees sign provisions restricting their ability to speak openly about their experience with Chicken Salad Chick. You may wish to speak with current and former franchisees, but be aware that not all such franchisees will be able to communicate with you. For information about the Chicken Salad Chick Franchisee Advisory Council that we created, please contact Carrie Evans at our principal business address (the Council does not have its own contact address or telephone number). There are no other trademark-specific franchisee organizations associated with the Chicken Salad Chick Restaurant franchise system.

ITEM 21
FINANCIAL STATEMENTS

Attached to this Disclosure Document as Exhibit C are our (a) audited financial statements as of December 25, 2022, and for the years ended December 25, 2022, and December 26, 2021, and (b) audited financial statements as of December 26, 2021, and for the years ended December 26, 2021, and December 27, 2020.

ITEM 22
CONTRACTS

The following contracts/documents are exhibits:

1. Franchise Agreement (Exhibit A)

2. Area Development Agreement (Exhibit B)

3. State-Specific Riders to Area Development Agreement and Franchise Agreement (Exhibit I)

4. Franchisee Representations Document (Exhibit J)

5. Franchisor Lease Rider (Exhibit K)

6. Form of General Release (Exhibit L)

7. Rider to Franchise Agreement for Renewal Franchise (Exhibit M)

ITEM 23
RECEIPTS

Our and your copies of the Franchise Disclosure Document Receipt are located at the last 2 pages of this disclosure document.

EXHIBIT A

FRANCHISE AGREEMENT

Simply Southern Restaurant Group, LLC

FRANCHISE AGREEMENT

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A-1 Restaurant Location and Protected Area
B Bank Authorization Form
C Assignment of Telephone Numbers and Listings
D Franchisee Employee Confidentiality and Non-Competition Agreement

SIMPLY SOUTHERN RESTAURANT GROUP, LLC

CHICKEN SALAD CHICK
FRANCHISE AGREEMENT

This Agreement is made and entered into by and between Simply Southern Restaurant Group, LLC, an Alabama limited liability company, with its principal offices in Atlanta, Georgia (hereinafter referred as "Franchisor"), and _____ (hereinafter individually and collectively referred to as "Franchisee"). This Agreement is effective as of the Effective Date.

RECITALS:

Franchisor has developed and owns a distinctive restaurant system ("System"). The System is a comprehensive system for the development and operation of fast-casual restaurants featuring a limited menu of specialty chicken salads, gourmet side items and soups, and emphasizing prompt and courteous service in a clean, wholesome atmosphere. The distinguishing characteristics of the System include, without limitation, designs and color schemes for the restaurant premises, interior and exterior layout and trade dress; standards and specifications for equipment, equipment layout and menus and special recipes; operating procedures for food and beverage preparation and service and catering procedures; and methods and techniques for inventory and cost controls, record keeping and reporting, purchasing, promotion and marketing; all of which may be modified by Franchisor from time to time;

Franchisor owns and has the right to license certain trade names, service marks and trademarks including, but not limited, to "Chicken Salad Chick," "CravingCredits," "Quick Chick," "Little Chick" and the phrase "A Simple Concept, A Superb Experience," and such other names, service marks, and trademarks as part of the System ("Marks"). Franchisor continues to develop, use and control such Marks for the benefit and exclusive use of Franchisor and its franchisees in order to identify for the public the source of goods and services marketed thereunder and to represent the System's high standards of quality, appearance and service;

In order to enhance the value of the System and the Marks, this Agreement places detailed and substantial obligations on the Franchisee including strict adherence to Franchisor's present and future requirements concerning menu items, equipment layout and designs, designated food and beverage specifications, approved suppliers and marketing and other items included in the Confidential Operations Manual; and

Franchisee understands and acknowledges the importance of Franchisor's System and its high and uniform standards of quality, cleanliness, appearance and service and the necessity of opening and operating the restaurant in conformity with Franchisor's standards and specifications and Franchisee acknowledges that he or she has experience and skills other than the experience and skills that would be obtained pursuant to this Agreement.

CERTAIN DEFINITIONS

For purposes of this Agreement, the terms listed below shall have the meanings which follow them and include the plural as well as the singular. Other terms are defined elsewhere in this Agreement in the context in which they arise.

"**Brand Fund**" - Chicken Salad Chick Brand Fund currently maintained and administered by CSC Affiliate.

"**Competitive Business**" - any fast-casual restaurant business that sells chicken salad and that is the same as or substantially similar to the Chicken Salad Chick restaurant concept, as it evolves or changes over time.

"**Confidential Information**" - the proprietary and confidential information possessed by Franchisor relating to the operation of Chicken Salad Chick restaurants, including, without limitation, (1) information in the Confidential Operations Manual and brand-specific standards, specifications, operating procedures, and rules; (2) site evaluation criteria for Chicken Salad Chick restaurants; (3) layouts, designs, and other plans for Chicken Salad Chick restaurants; (4) methods, formats, specifications, standards, systems, procedures, sales and marketing techniques, and knowledge and experience used in developing and operating Chicken Salad Chick restaurants; (5) marketing research and promotional, marketing, and advertising programs for Chicken Salad Chick restaurants; (6) the standards, processes, information, and technologies involved in creating, developing, operating, maintaining, and enhancing digital and other sales platforms; (7) strategic plans, including expansion strategies and targeted demographics; (8) knowledge of specifications for and suppliers of, and methods of ordering, certain operating assets, products, services, materials, and supplies that Chicken Salad Chick restaurants use and sell; (9) knowledge of the operating results and financial performance of Chicken Salad Chick restaurants other than Franchisee's Restaurant; (10) customer solicitation, communication, and retention programs, along with data used or generated in connection with those programs; and (11) any other information we reasonably designate as confidential or proprietary.

"**Confidential Operations Manual**" or "**COM**" - Franchisor's Confidential Operations Manual, which may consist of one or more manuals, containing Franchisor's mandatory and suggested standards, specifications and operating procedures relating to the development and operation of Chicken Salad Chick restaurants and other information relating to Franchisee's obligations under this Agreement. The term "Confidential Operations Manual" also includes alternative or supplemental tangible means of communicating such information to Franchisee, including without limitation, bulletins, videotapes, audio tapes, computer diskettes, portals, internet and intranet.

"**CSC Affiliate**" - CSC Ad Funds, LLC, which is Franchisor's affiliate that currently maintains and administers the Chicken Salad Chick Brand Fund.

"**Disclosure Document**" - Franchisor's franchise disclosure document for compliance with the Federal Trade Commission Rule relating to Franchising and Business Opportunity Ventures.

"**Effective Date**" - The date on which Franchisor counter-signs this Agreement after having received signatures from Franchisee and its owners on this Agreement.

"**Gross Sales**" - the aggregate amount of all revenue and other consideration generated from any source, including, without limitation, from selling products, services, and merchandise; other types of revenue Franchisee receives, including the proceeds of business interruption insurance; and (if barter is permitted by Franchisor) the value of products, services, and merchandise bartered in exchange for the Restaurant's products, services, or merchandise. However, Gross Sales exclude: (i) federal, state, or municipal sales, use, or service taxes collected from customers and paid to the appropriate taxing authority; (ii) proceeds from insurance, excluding business interruption insurance; and (iii) proceeds from any civil forfeiture,

condemnation, or seizure by government entities. In addition, Gross Sales are reduced by (i) the value of both employee discounts and (with Franchisor's prior approval) promotional or marketing discounts offered to the public not exceeding, in the aggregate, two percent (2%) of the Restaurant's semi-monthly Gross Sales and (ii) the amount of any credits the Restaurant provides in accordance with the terms and conditions set forth in the COM. Each charge or sale upon credit will be treated as a sale for the full price on the day the charge or sale is made, regardless of when Franchisee receives payment (whether full or partial, or at all) on that sale. Revenue from gift/loyalty/stored-value cards and similar items Franchisor approves for offer and sale at Chicken Salad Chick restaurants is included in Gross Sales when the card or other item is used to pay for products and services (although Franchisor may collect its fees due on that revenue when the card is sold). Franchisee's Restaurant may not issue or redeem any coupons or gift/loyalty/stored-value or similar cards unless Franchisor first approves in writing their form and content and Franchisee's proposed issuing and honoring/redemption procedures. Franchisor may grant or withhold its approval as it deems best.

Franchisor reserves the right to modify its policies and practices regarding revenue recognition, revenue reporting, and the inclusion or exclusion of certain revenue from "Gross Sales" as circumstances, business practices, and technology change.

"**Immediate Family**" - spouse, parents, brothers, sisters and children, whether natural or adopted.

"**Marks**" - the trademarks, service marks and trade dress of Franchisor used to identify the services and/or products offered by Chicken Salad Chick restaurants.

"**Operating Partner**" - if Franchisee is a partnership, corporation or other legal entity, the natural person designated by Franchisee in Exhibit A, and approved by Franchisor, who shall be responsible for management of the Restaurant and who shall own a minimum of ten percent (10%) of the equity interest.

"**Owner**" - each person or entity which has a direct or indirect legal or beneficial interest in Franchisee which are identified in Exhibit A attached hereto.

"**Premises**" - the location identified in Exhibit A-1 of this Agreement at which Franchisee has been granted the right to operate a Chicken Salad Chick restaurant pursuant to this Agreement.

"**Protected Area**" - the area set forth on Exhibit A-1 attached hereto.

"**Restaurant**" – the Chicken Salad Chick restaurant operated by Franchisee at the Premises pursuant to this Agreement.

"**System**" - the business methods, designs and arrangements for developing and operating Chicken Salad Chick restaurants, which include, without limitation, the Marks, design and layout of the Restaurant, equipment, formulas, recipes and specifications for authorized food products and beverages, methods of inventory and operations control, and certain business practices and policies.

"**Transfer**" - the voluntary or compulsory giving to another, directly or indirectly and by operation of law or otherwise, all or any part of that which is being transferred by means of device including an assignment, transfer, conveyance, security interest, encumbrance, divestiture, sale,

disposition, pledge, foreclosure, levy, attachment, execution, trade, lease, gift, bequest, inheritance or delegation.

The parties, in consideration of the undertakings and commitment of each party to the other party set forth herein, hereby mutually agree as follows:

FRANCHISEE'S UNDERSTANDINGS, REPRESENTATIONS AND WARRANTIES

Franchisee understands and agrees to the following:

1. Franchisor, at a significant cost, has publicized the Marks so that they have become representative of Franchisor's System.

2. The required elements of the System are essential to maintaining the quality and customer service required by the System.

3. Franchisee acquires no right to, and upon expiration or termination of this Agreement is entitled to no compensation for, any goodwill associated with the Marks or the System with respect to Franchisee's use pursuant to this Agreement or otherwise.

4. Franchisee is an independently owned and operated business whose success is dependent upon its own efforts, those of its management and employees, and business conditions in general.

5. Franchisor may enter into agreements with others for the operation of Chicken Salad Chick restaurants, which agreements may contain provisions that vary materially from this Agreement, without any liability to Franchisee.

6. Because complete uniformity under various economic conditions may not be possible or desirable, Franchisor may vary the enforcement of the System with respect to other Chicken Salad Chick restaurants without any liability to Franchisee.

7. Wherever Franchisor's approval, consent, permission or authorization is required, such approval, unless specifically stated otherwise, must be obtained in advance, in writing, and will not be unreasonably withheld or delayed. A determination of whether an approval is reasonably withheld is based on Franchisor's need to protect its rights under this Agreement and the integrity, value or reputation of the System. Franchisor may, but has no duty to, take Franchisee's economic or other circumstances into account.

8. Franchisee represents and warrants that Franchisee:

   (a) is authorized to enter into, execute and deliver this Agreement, that the execution of this Agreement by persons executing it on behalf of Franchisee, and the performance by Franchisee of its obligations hereunder have been duly authorized and approved by all necessary action, if any, required to be taken, and that this Agreement is binding and enforceable against Franchisee in accordance with its terms;

(b) is aware of the business and other risks associated with the operation of a restaurant and has conducted its own investigation of all financial requirements, economics, business and legal risks with respect to the restaurant business in general and operating a Chicken Salad Chick restaurant in particular;

(c) will acquire fee simple or leasehold title to the Premises without any restrictions which would interfere with Franchisee's performance under this Agreement;

(d) has not had any statements, representations, warranties or guarantees (express or implied) written or oral, made by or on the Franchisor's behalf to Franchisee including any as to the financial or business success of a Chicken Salad Chick restaurant or with respect to the gross revenues or potential sales volume, income, profits or expenses with respect to a Chicken Salad Chick restaurant other than the statements contained in the Disclosure Document; and

(e) has had a full and adequate opportunity to read and review the Disclosure Document and this Agreement and be thoroughly advised by legal counsel or a personal advisor of Franchisee's own choosing regarding the benefits and risks of entering into this Agreement or has chosen not to do so without any influence from Franchisor.

FRANCHISOR AND FRANCHISEE AGREE THAT THE UNDERSTANDINGS, REPRESENTATIONS, AND WARRANTIES ARE INCORPORATED HEREIN AS A MATERIAL PART OF THIS AGREEMENT.

I. GRANT OF FRANCHISE

A. Franchise. Franchisor hereby grants to Franchisee and Franchisee hereby accepts a non-exclusive license to construct and operate a Chicken Salad Chick restaurant at the Premises in compliance with the System. Franchisee shall diligently pursue site selection, as provided in Section XIII.A of this agreement, and construction of the Restaurant to completion so that the opening date of the Restaurant occurs on or before thirteen (13) months from the Effective Date. The franchise granted herein is specifically limited to the Premises and does not confer rights of any kind to any other location, area, market or territory.

B. Protected Area. During the term of this Agreement, Franchisor and its affiliates will not operate or grant any right, license or franchise to operate a Chicken Salad Chick restaurant the physical premises of which is located within the Protected Area. The Protected Area is identified in Exhibit A-1. If Franchisee has not located the Restaurant's Premises as of the Effective Date, the Protected Area will be identified, and Exhibit A-1 will be completed, after the Premises has been accepted and secured. The area identified in Exhibit A-1 in which Franchisee may look for its Restaurant's proposed Premises will not determine the size or description of the Protected Area.

C. Reservation of Rights. Except for Franchisee's location exclusivity described in Section I.B above, Franchisor and its affiliates retain all rights with respect to Chicken Salad Chick restaurants, the Marks, the sale of similar or dissimilar products and services, and any other activities they deem appropriate, whenever and wherever they desire, whether inside or outside

the Protected Area. Specifically, but without limitation, Franchisor and its affiliates reserve the following rights:

(1) to own and operate, and to allow other franchisees and licensees to own and operate, Chicken Salad Chick restaurants at any physical locations outside the Protected Area (including at the boundary of the Protected Area) and on any terms and conditions they deem appropriate;

(2) to offer and sell, and to allow others to offer and sell, both inside and outside the Protected Area, and on any terms and conditions they deem appropriate, products and services that are identical or similar to and/or competitive with those offered and sold by Chicken Salad Chick restaurants, whether such products and services are identified by the Marks or other trademarks or service marks, through any advertising media and distribution channels (including the Internet) other than Chicken Salad Chick restaurants physically located within the Protected Area;

(3) to establish and operate, and to allow others to establish and operate, anywhere (including both inside and outside the Protected Area) businesses offering similar products and services under trademarks and service marks other than the Marks;

(4) to acquire the assets or ownership interests of one or more businesses offering and selling products and services similar to those offered and sold at Chicken Salad Chick restaurants (even if such a business operates, franchises, or licenses Competitive Businesses), and operate, franchise, license, or create similar arrangements for those businesses once acquired, wherever those businesses (or the franchisees or licensees of those businesses) are located or operating, including within the Protected Area;

(5) to be acquired (whether through acquisition of assets, ownership interests, or otherwise, regardless of the transaction form) by a business offering and selling products and services similar to those offered and sold at Chicken Salad Chick restaurants, or by another business, even if such business operates, franchises, or licenses Competitive Businesses inside or outside the Protected Area; and

(6) to engage in all other activities this Agreement does not expressly prohibit.

D. Restrictions on Franchisee. No part of the Restaurant may be offered for sale or lease without Franchisor's prior written approval. Franchisee may adopt and use, but only in connection with the sale of those food, beverage and merchandising products which have been designated by Franchisor at the Restaurant, the Marks which Franchisor shall designate, from time to time, to be a part of Franchisor's System.

E. Relocation. In the event Franchisee's lease is terminated or expires and cannot be renewed during the term of this Agreement or Franchisee otherwise loses the right to the Premises, Franchisee may apply to Franchisor for the right to relocate the Restaurant, which application shall not be unreasonably denied provided that the relocation conditions are met. The relocation conditions are:

1. The relocation is within Franchisee's Protected Area;

2. Franchisee shall have strictly complied with the provisions of this Agreement throughout its term;

3. Franchisee's proposed new location is approved in writing by Franchisor;

4. The proposed location does not conflict with or intrude upon the protected area of any other Chicken Salad Chick franchisee;

5. If the new location is to be leased, Franchisee shall have submitted a lease of the premises which lease shall be subject to the approval of Franchisor;

6. Franchisee can commence business at the new location within one hundred twenty (120) days after the relocation application is approved and Franchisee is not in default of any obligation of a lender or other third party that would, in Franchisor's opinion, materially impact Franchisee's ability to operate the Restaurant;

7. Franchisee continues to operate the Restaurant at its original site until Franchisor authorizes its closure; and

8. Franchisee takes, within the timeframe Franchisor specifies and at its own expense, all action Franchisor requires to de-brand and de-identify the Restaurant's former premises so it no longer is associated in any manner (in Franchisor's opinion) with the System and the Marks.

II. TERM OF THE AGREEMENT

A. Initial Term. Except as otherwise provided in this Agreement, the term of this franchise shall run for ten (10) years from the Effective Date.

B. Renewal Term. Franchisee may, at its option, renew this franchise for three (3) additional periods of ten (10) years, provided that:

1. Franchisee has given Franchisor written notice of such election to renew not less than six (6) months nor more than twelve (12) months prior to the end of the then-current term; otherwise such renewal right will expire automatically;

2. Franchisee shall complete to Franchisor's satisfaction all maintenance, renovating and remodeling of the Restaurant as Franchisor may reasonably require no later than thirty (30) days prior to expiration;

3. Franchisee is not in default of any provision of this Agreement, any amendment hereof or successor hereto, or any other agreement between Franchisee and Franchisor, or its subsidiaries and affiliates, and has substantially complied with all the terms and conditions of such agreements during the terms thereof;

4. Franchisee has satisfied all monetary obligations owed by Franchisee to Franchisor and has timely met those obligations throughout the term of this Agreement;

5. Franchisee shall present satisfactory evidence that Franchisee has the right to remain in possession of the Premises for the renewal term;

6. Franchisee shall execute upon renewal Franchisor's then-current form of franchise agreement, which agreement shall supersede in all respects this Agreement, and the terms of which may differ materially and substantially from the terms of this

Agreement, including higher fees and a modified or smaller Protected Area, and will be modified to reflect that it is for a renewal franchise;

7. Franchisee shall execute a general release, in the form Franchisor specifies, of any and all claims against Franchisor and its subsidiaries and affiliates, and their respective officers, directors, agents and employees; and

8. Franchisee shall comply with Franchisor's then-current qualification and training requirements.

C. Terms of Renewal. If Franchisee complies with the conditions for renewal as set forth above, Franchisee will have the right to renew the franchise for the Restaurant. Franchisee will be required to pay Franchisor a renewal fee of Three Thousand Five Hundred Dollars ($3,500.00) which will be payable in full on the date Franchisee signs the then-current franchise agreement executed pursuant to each renewal. The renewal fee is payment, in part, to Franchisor for (a) training at the time of renewal for Franchisee's Operating Partner or Franchisee's manager (but not payment for travel, lodging, living expenses, salaries and other expenses of persons attending such training, which will be paid by Franchisee); (b) providing Franchisee with the then-current standards relating to the image of Chicken Salad Chick restaurants including décor, fixtures, furniture and sign specifications; (c) providing Franchisee with the then-current specifications for supplies and equipment to be used in the operation of the Restaurant; and (d) administrative and out-of-pocket expenses incurred by Franchisor in connection with the renewal, including employee salaries and attorneys' fees. As noted above, Franchisee acknowledges that the terms, conditions and economics of future franchise agreements of Franchisor may, at that time, vary in substance and form from the terms, conditions and economics of this Agreement.

III. INITIAL FRANCHISE AND GRAND OPENING MARKETING FEE

A. Amount of Initial Franchise Fee. Franchisee will pay Franchisor an initial franchise fee of Fifty Thousand Dollars ($50,000.00) payable upon signing this Agreement. The initial franchise fee is payment, in part, to Franchisor for the costs incurred by the Franchisor to operate its business, including costs for general sales and administrative expenses, travel, training, opening costs, marketing costs, legal and accounting fees, compliance with franchising and other laws, the initial services rendered to Franchisee as described in this Agreement and Franchisor's lost or deferred opportunity to license others.

B. Amount of Grand Opening Marketing Fee. Franchisee will pay CSC Affiliate a Grand Opening Marketing Fee of $10,000 upon execution of the Franchise Agreement.

C. Refund of Fees. The franchise fee and Grand Opening Marketing Fee are not refundable under any circumstances.

IV. CONTINUING FEES

A. Amount of Continuing Royalty Fee; Date Payable. In addition to the initial franchise fee, Franchisee will, during the entire term of this Agreement, pay Franchisor Continuing Royalty Fees each reporting period equal to the greater of Six Hundred Dollars ($600.00) or five percent (5%) of Franchisee's Gross Sales. The Continuing Royalty Fees will be paid to Franchisor by Franchisee on the 5th and 20th day of each month with respect to the Gross Sales incurred during the semi-monthly period ending before the payment date. Each month is divided into two semi-

monthly periods, with the first period starting on the first day of the month and continuing through the 15th day and the second beginning on the 16th day and continuing to the end of the month.

B. Amount of Brand Fund Contribution; Date Payable. Franchisee shall pay to CSC Affiliate an advertising payment equal to not more than four percent (4%) of Franchisee's Gross Sales; the exact percentage of Franchisee's Gross Sales required to be paid to the Brand Fund (subject to this four percent (4%) of Gross Sales cap) shall be established, from time to time, by written notice from Franchisor to Franchisee. All Brand Fund payments and any reports with respect to same are due and must be delivered on the 5th and 20th day of each month for the preceding semi-monthly period ending before the payment date.

C. Late Fee and Interest on Unpaid Fees. In addition to Franchisor's other remedies, including, without limitation, the right to terminate this Agreement, if Franchisee fails to pay (or make available for withdrawal from its account) when due any amounts Franchisee owes Franchisor or its affiliates relating to this Agreement or the Restaurant, those amounts will bear interest, accruing as of their original due dates, at one-and-one-half percent (1.5%) per month or the highest commercial contract interest rate the law allows, whichever is less. In addition, Franchisee must pay Franchisor a One Hundred Dollar ($100) administrative fee for each payment not made to Franchisor or its affiliate when due (or for each dishonored payment) to cover the increased costs and expenses incurred due to Franchisee's failure to pay the amounts when due.

D. Reports. Franchisee will maintain an accurate written record of the monthly Gross Sales for the Restaurant and other operating information for the Restaurant specified by Franchisor (see below) and will submit a semi-monthly report for the Restaurant using the forms and formats set forth in the COM. The semi-monthly reports will be e-mailed or faxed to Franchisor by the 1st and 15th day of each month for the preceding period. These reports will include Franchisee's Gross Sales, labor costs, food costs and such other information as may be required by Franchisor.

E. Franchisee's Obligation to Pay. The Continuing Royalty Fees and Brand Fund Contributions payable to Franchisor and CSC Affiliate under this Article will be calculated and paid to Franchisor each semi-monthly period during the entire term of this Agreement and Franchisee's failure to pay same to Franchisor or CSC Affiliate will be deemed a material breach of this Agreement. Franchisee's obligation to pay Franchisor and CSC Affiliate Continuing Royalty Fees and Brand Fund Contributions will be absolute and unconditional. Franchisee will not have the "right of offset" and, as a consequence, Franchisee will timely pay all amounts due Franchisor and CSC Affiliate under this Agreement regardless of any claims or allegations Franchisee may allege against Franchisor.

F. Pre-authorized Bank Debits. Franchisee will, from time to time during the term of this Agreement, execute such documents as Franchisor may request to provide Franchisee's unconditional and irrevocable authority and direction to its bank authorizing and directing Franchisee's bank to pay and deposit directly to the account of Franchisor and CSC Affiliate, and to charge the account of Franchisee, the amount of the Continuing Royalty Fees and Brand Fund Contributions payable by Franchisee pursuant to this Agreement. The authorizations will be in the form attached as Exhibits B and B-1 or the forms prescribed by the bank specified by Franchisor and CSC Affiliate and will permit Franchisor to designate the amount to be debited or drafted from Franchisee's account. If Franchisee fails at any time to provide the reports provided hereunder then Franchisor and CSC Affiliate will have the absolute right to debit Franchisee's bank account for the same amount as the most recent debit to Franchisee's bank account that was based on

actual Gross Sales provided by Franchisee. Franchisee will, at all times during the term of this Agreement, maintain a balance in its account and its bank sufficient to allow the appropriate amount to be debited from Franchisee's account for payment of Continuing Royalty Fees and Brand Fund Contributions payable by Franchisee for deposit in the account of Franchisor and CSC Affiliate.

G. Payment Application. Franchisee's payment shall be applied in such order as Franchisor may designate. Franchisee may not designate an order for application of any payments different from that designated by Franchisor. Franchisor may accept payments with different instructions without any obligation to follow such instructions even if such payment is made by its terms conditional on such instruction being followed.

H. Taxes. Franchisee shall reimburse Franchisor for all amounts imposed upon, or required to be collected or paid by, Franchisor on account of any gross receipts, sales, use or other tax or assessment imposed on any Continuing Royalty Fees or other amounts payable by Franchisee to Franchisor by the jurisdiction in which the Restaurant is located. All of the above taxes are distinguishable from income taxes imposed upon Franchisor by the jurisdiction in which the Restaurant is located. Such income taxes, if any, are Franchisor's responsibility.

I. Refunds. All Continuing Royalty Fees, Brand Fund Contributions and other amounts paid by Franchisee are not refundable under any circumstances.

V. ADVERTISING AND MARKETING

With respect to the development and implementation of all advertising and marketing programs, Franchisee shall use only such materials, methods, creative concepts, techniques, type, quantity, timing, placement, choice of media, market area and advertising agency as approved by Franchisor and CSC Affiliate. Recognizing the value of advertising and the importance of standardization of advertising and marketing to the furtherance of the goodwill and public image of the Restaurant, Franchisee further agrees as follows:

A. CSC Affiliate will provide Grand Opening media kit for the Restaurant prior to opening.

A.1 Advertising Content and Approval. All advertising and marketing by Franchisee in any medium shall be conducted in a dignified manner and shall conform to the standards and requirements of the COM. Franchisee shall submit to Franchisor and CSC Affiliate (electronically or through other means Franchisor designates), for their prior approval, samples of all advertising and promotional plans and materials that Franchisee desires to use and that have not been prepared or previously approved by Franchisor and CSC Affiliate. If written approval thereof is not received by Franchisee within fifteen (15) days from the date of receipt by Franchisor of such materials, Franchisor shall be deemed to have disapproved the materials. Franchisor has the right to implement price advertising policies and to regulate the maximum, minimum, or other pricing requirements for products and services the Restaurant sells, including requirements for national, regional, and local promotions, special offers, and discounts in which some or all Chicken Salad Chick restaurants must participate, in each case to the maximum extent that applicable law allows. For example, and without limitation, Franchisor has the right to require Franchisee to participate, in the manner that Franchisor specifies, in any national or regional brand events or promotions throughout the year that Franchisor specifies for the System.

B. Local Advertising Requirement. At its expense and exclusive of any sums paid to Franchisor, Franchisee shall conduct continuing local advertising in the form, content and media approved by Franchisor. Franchisee shall spend, as a minimum, for local advertising an amount equal to one percent (1%) of Franchisee's monthly Gross Sales. Upon request, Franchisee shall submit evidence of any such expenditures to Franchisor in the manner and form set forth in the COM or otherwise in writing. In the event Franchisee shall fail to spend such sums on local advertising, Franchisee will be required to cure that default. Franchisee shall also market and advertise for and promote the Restaurant to the maximum reasonable extent, consistent with good and professional business practices, and local advertising expenditures herein specified shall be only one component thereof. While the cost of any food prepared by the Restaurant for actual food-sampling purposes may be applied toward the one percent (1%) local advertising requirement, the cost of wasted or unused food ("food shrinkage") may not be so applied.

C. Brand Fund. Franchisor has established a Brand Fund, currently maintained and administered by CSC Affiliate (but which may be maintained and administered in the future by Franchisor or another entity as Franchisor deems best), for advertising, marketing, research and development, public relations, social-media management, lead-generation, customer-relationship-management, and technology programs, materials, and activities, the purpose of which is to enhance, promote, and protect the Chicken Salad Chick brand and franchise System. Franchisee agrees to pay the Brand Fund contribution to the Brand Fund. Chicken Salad Chick restaurants that Franchisor or its affiliates own will contribute to the Brand Fund on the same percentage basis as franchisees. Franchisor or CSC Affiliate also may collect for deposit into the Brand Fund any advertising, marketing, or similar allowances paid by suppliers who deal with Chicken Salad Chick restaurants.

(1) Franchisor or CSC Affiliate (or another entity Franchisor specifies) will direct and determine all programs the Brand Fund finances, with sole control over all creative and business aspects of the Brand Fund's activities. The Brand Fund may pay for, among other things, preparing, producing, placing, and maintaining video, audio, and written materials, digital marketing, and social/electronic media; developing, maintaining, and administering one or more System websites, an intranet or extranet, and/or related strategies; creating and administering national, regional, multi-regional, local, and multi-local marketing, advertising, lead-generation, and other brand development and enhancement programs; using advertising, promotion, and marketing agencies and other advisors to provide assistance; administering, staffing, and supporting all Chicken Salad Chick franchise quality and operational enhancement programs; on-site training of franchisees and personnel; establishing regional and national promotions and partnerships and hiring spokespersons to promote the Chicken Salad Chick brand; establishing on-line systems and other vehicles for centralized customer interaction; supporting public relations, market research and development, and other advertising, promotion, marketing, and brand development and enhancement activities, including conducting franchisee conferences; funding visits by Franchisor's or CSC Affiliate's executives, other personnel, and third-party service providers to the market areas of Chicken Salad Chick franchisees to establish, enforce, and confirm compliance with the Chicken Salad Chick culture; and funding technology initiatives for the System. The Brand Fund periodically may give Franchisee sample advertising, marketing, promotional, and lead-generation formats and materials at no cost. Franchisor or CSC Affiliate may sell Franchisee multiple copies of such materials at its direct cost of producing them, plus any related shipping, handling, and storage charges.

(2) Franchisor or CSC Affiliate will account for the Brand Fund separately from its other funds (although it need not keep Brand Fund contributions in a separate bank account) and not use the Brand Fund for any of its general operating expenses. However, the Brand Fund may

reimburse Franchisor and CSC Affiliate for the reasonable salaries and benefits of personnel who manage and administer, or otherwise provide assistance or services to, the Brand Fund; the Brand Fund's administrative costs; travel-related expenses of personnel while they are on Brand Fund business; meeting costs; overhead relating to Brand Fund business; conducting public relations and quality and operational enhancement programs; on-site training of personnel; and other expenses Franchisor and CSC Affiliate incur administering or directing the Brand Fund and its programs, including conducting market research, preparing advertising, marketing, promotional, and lead-generation formats and materials, collecting and accounting for Brand Fund contributions, paying taxes due on Brand Fund contributions received, and any other costs or expenses Franchisor and CSC Affiliate incur operating or as a consequence of the Brand Fund. The Brand Fund is not a trust, and Franchisor and CSC Affiliate do not owe Franchisee fiduciary obligations for maintaining, directing, or administering the Brand Fund or for any other reason.

(3) The Brand Fund may spend in any fiscal year more or less than the total Brand Fund contributions in that year, borrow from Franchisor, CSC Affiliate, or others (paying reasonable interest) to cover deficits, invest any surplus for future use, and roll over unspent monies to the following year. Franchisor or CSC Affiliate may use new Brand Fund contributions to pay Brand Fund deficits incurred during previous years. Franchisor or CSC Affiliate will use all interest earned on Brand Fund contributions to pay costs before using the Brand Fund's other assets. Franchisor or CSC Affiliate will prepare an annual, unaudited statement of Brand Fund collections and expenses and provide a copy of the statement to Franchisee upon reasonable request. Franchisor or CSC Affiliate may (but need not) have the Brand Fund audited annually, at the Brand Fund's expense, by a certified public accountant chosen by Franchisor or CSC Affiliate. Franchisor or CSC Affiliate may incorporate the Brand Fund, or otherwise operate it, through a separate entity (other than CSC Affiliate) whenever it deems appropriate. The successor entity will have all of the rights and duties specified in this Section.

(4) The Brand Fund's principal purposes are to maximize recognition of the Marks, increase patronage of Chicken Salad Chick restaurants, and enhance, promote, and protect the Chicken Salad Chick brand and System. Although Franchisor and CSC Affiliate will try to use the Brand Fund in the aggregate to develop and implement materials and programs benefiting all Chicken Salad Chick restaurants, Franchisor and CSC Affiliate need not ensure that Brand Fund expenditures in or affecting any geographic area are proportionate or equivalent to Brand Fund contributions by Chicken Salad Chick franchisees operating in that geographic area or that any Chicken Salad Chick franchisee benefits directly or in proportion to its Brand Fund contribution from the development of advertising, marketing, promotional, and lead-generation formats and materials or the implementation of programs. The Brand Fund will not be used principally to develop materials and programs to solicit franchisees. However, media, materials, and programs (including the System website) prepared using Brand Fund contributions may describe the franchise program, reference the availability of franchises and related information, and process franchise leads. Franchisor and CSC Affiliate have the right, but no obligation, to use collection agents and institute legal proceedings at the Brand Fund's expense to collect unpaid Brand Fund contributions. Franchisor and CSC Affiliate also may forgive, waive, settle, and compromise all claims by or against the Brand Fund. Except as expressly provided in this Section, Franchisor and CSC Affiliate assume no direct or indirect liability or obligation to Franchisee for collecting amounts due to, maintaining, directing, or administering the Brand Fund.

(5) Franchisor may at any time defer or reduce the Brand Fund contributions of any Chicken Salad Chick restaurant and, upon thirty (30) days' prior written notice to Franchisee, reduce or suspend Brand Fund contributions and operations for one or more periods of any length and terminate (and, if terminated, reinstate) the Brand Fund. If Franchisor terminates the Brand

Fund, Franchisor or CSC Affiliate will either (i) spend the remaining Brand Fund balance on permitted programs and expenditures or (ii) distribute all unspent funds to then-existing Chicken Salad Chick franchisees, and to Franchisor or its affiliates, in proportion to their respective Brand Fund contributions during the preceding twelve (12)-month period.

D. Advertising Cooperatives. Franchisor has the right to establish local and/or regional advertising cooperatives for Chicken Salad Chick restaurants in the Franchisee's local or regional area, covering such geographical areas as Franchisor may designate from time to time. Franchisee must participate in such advertising cooperative and its programs (other than price advertising, as to which Franchisee may choose not to participate if Franchisor has not unilaterally chosen to regulate Franchisee's prices to the extent permitted by law) and abide by its By-laws. Franchisee must contribute such amounts to the advertising cooperative(s) as such cooperative determines from time to time in accordance with its by-laws for each franchise location in the cooperative area. In the event of one or more of Franchisor's company-owned and affiliate-owned restaurants are located in such local or regional coverage area, Franchisor shall make contributions to the cooperative fund equivalent to contributions required of the franchise restaurants within such area. The cost of the cooperative advertising program or regional advertising program may be taken by Franchisee as a credit toward the local advertising required set forth in Section V.B herein. In no event, shall the local and/or regional advertising cooperative have the right to require contributions in excess of the local advertising requirement set forth in Section V.B herein.

The local or regional cooperative programs shall be administered by an area advertising council comprised of all participating Chicken Salad Chick restaurants in the advertising area. Franchisor may, at its option, elect to serve as a member of such advertising council and, if Franchisor elects to serve, Franchisor shall have one vote ex officio (plus one vote for each Chicken Salad Chick restaurant, if any, owned by Franchisor in the advertising area) with respect to the matters decided by the council. Each participating Franchisee shall be entitled to one vote for each Restaurant owned by such Franchisee located in the advertising area. All decisions of the council shall be made by a majority vote and are conclusive on all members. The decisions which the council shall be entitled to make, and which shall be binding upon the franchisees shall include:

1. the percentage of Gross Sales to be contributed by each restaurant in the advertising area;

2. the designation of the person or persons authorized to place, to approve and to pay for advertising and to select the advertising agency subject to the right of Franchisor's approval; and

3. the geographic boundary of the advertising area; provided, however, that any dispute as to boundary shall be resolved solely by the Franchisor.

Franchisee shall participate in such cooperative's local or regional advertising program within one (1) month of having received written notice that such program has been established in Franchisee's area. Franchisee will subscribe to and abide by the by-laws and advertising agreements adopted in connection with the cooperative advertising program and shall not withdraw or otherwise default under the terms and conditions of its membership in said program. The failure of Franchisee to participate and contribute to such cooperative advertising program and to abide by its by-laws and its advertising agreements shall constitute a default under this Agreement. In order for the council to verify Gross Sales for purposes of Franchisee's contribution

to the cooperative advertising program, Franchisee grants permission to Franchisor to provide the advertising program, group or association, from time to time, copies of sales reports submitted by Franchisee to Franchisor under the provisions of this Agreement; and Franchisee hereby releases Franchisor from any and all liability of any nature whatsoever which may actually or allegedly result from so providing such information and from the use of such program, group or association of such information.

Franchisor agrees that it will take all actions reasonably necessary to enforce the provisions of this Section V.D including administrative, correspondence and notices of default. In the event, it becomes necessary for Franchisor to engage an attorney or to institute any legal action at law or in equity against Franchisee to enforce the provisions of this Section, Franchisor shall be entitled to have and recover from the Franchisee such reasonable attorney's fees as may be allowed by the court, together with such court costs and damages as are provided by law.

VI. ACCOUNTING AND RECORDS

A. Maintenance. During the term of this Agreement, Franchisee shall maintain and preserve, for at least seven (7) years from the dates of their preparation, full, complete and accurate books, records and accounts in accordance with accepted accounting principles and in the form and manner prescribed by Franchisor from time to time in the COM or otherwise in writing. At all times during the term of this Agreement, Franchisee shall use the accounting, recordkeeping and reporting system prescribed by Franchisor in the COM or otherwise in writing.

B. Reporting. Franchisee shall furnish to Franchisor and CSC Affiliate on such forms as Franchisor prescribes from time to time:

1. no later than the 1st and 15th day of each month, a statement accurately reflecting all Gross Sales and expenses of the Restaurant for the preceding semi-monthly period and other operating information for the Restaurant required by Franchisor;

2. no later than the 15th day of each month, an income statement and statement of cash flow for the Restaurant for the preceding month and for the year to date, and a balance sheet as of the end of each such month;

3. within ninety (90) days after the end of each calendar year, a year-end balance sheet and income statement and statement of cash flow of the Restaurant for such year, reflecting all year-end adjustments and accruals; and

4. within the timeframe Franchisor requests, such other information as Franchisor may reasonably designate from time to time, including food and labor cost reports and sales and income tax statements.

Each report and financial statement shall be signed and verified by Franchisee in the manner prescribed by Franchisor. Franchisor shall have the right to disclose data derived from such reports and statements if it considers such disclosure necessary or advisable. Franchisor reserves the right to require that Franchisee's annual statements be audited, at Franchisee's expense, by an independent certified public accountant. Franchisee's failure or refusal to comply with Franchisor's requests for reports or information shall constitute a material breach of this Agreement.

C. POS System. Franchisee shall record all sales on the specific POS systems designated, and computers approved, by Franchisor, which shall contain devices that will record all transaction details. Franchisor and CSC Affiliate shall have unlimited access to all data captured and managed by Franchisee's POS and computer system (but excluding employee records, as Franchisee controls exclusively its labor relations and employment practices).

D. Inspection and Audit. Franchisor or its designated agents shall have the right at all reasonable times to examine, at Franchisor's expense, the books, records, and tax returns of Franchisee. Franchisor shall also have the right, at any time to have an independent audit made of the books of Franchisee. If an inspection should reveal that such payments have been understated in any report to Franchisor, then Franchisee shall immediately pay to Franchisor or CSC Affiliate the amount understated upon demand, in addition to interest from the date such amount was due until paid, at the maximum rate permitted by law. If an inspection discloses an understatement in any report of three percent (3%) or more, Franchisee shall, in addition, reimburse Franchisor for any and all costs and expenses connected with the inspection (including without limitation, reasonable accounting and attorneys' fees). The foregoing remedies shall be in addition to any other remedies Franchisor may have.

E. Contact with Others. Franchisor shall have the right, without notice, to contact any of Franchisee's customers, landlord, accountant, or vendors for the purpose of verifying any information submitted by Franchisee, for quality assurance or other purposes not inconsistent with this Agreement.

F. Credit Reports. Franchisee and each Owner grant to Franchisor the right to obtain credit reports from any credit-reporting agency regarding the credit history of Franchisee and each Owner. Franchisor will use good business judgment with regard to the frequency of obtaining such reports.

G. Information Systems. Franchisee shall install, update or replace any equipment or software or services (including point-of-sale systems and intranet or internet systems) designed for the purpose of recording receipts at point-of-sale and utilize equipment (including locked totaling devices) and software of such kind and in such manner as is specified by Franchisor from time to time. Franchisor shall have the right to require Franchisee to utilize a specific computer-based point of sales system and information and marketing systems which are fully compatible with Franchisor's designated computer system, and which include information interface capability which allows it to communicate electronically with Franchisor's designated computer system. In its sole discretion, Franchisor may require Franchisee to install and maintain high speed internet service and implement secure, wired and/or wireless services in support of restaurant operations and access to operational and security data. An approved firewall must also be maintained to protect the network. Upon installation of such computer-based systems, all orders and financial data shall be entered and recorded on such systems. Franchisee shall not manually enter, take, maintain or record orders, other receipts or sales data, costs or other financial data other than on such systems except as otherwise permitted or directed by Franchisor. In addition thereto, Franchisee shall execute and deliver any information systems agreement when prepared by Franchisor in accordance with this section. Franchisee shall obtain and maintain software and facilities attendant thereto, in the manner prescribed from time to time by Franchisor in the COM or otherwise in writing. Franchisee's computer system shall at all times be accessible to Franchisor for polling purposes.

Franchisor and its affiliates may condition any license to Franchisee of required or recommended proprietary software, and/or Franchisee's use of technology developed or

maintained by or for Franchisor, on Franchisee signing a software license agreement, liability waiver, and/or similar document, or otherwise agreeing to the terms (for example, by acknowledging its consent to and accepting the terms of a click-through license agreement), that Franchisor and its affiliates periodically prescribe to regulate Franchisee's use of, and Franchisor (or its affiliates') and Franchisee's respective rights and responsibilities with respect to, the software or technology. Franchisor and its affiliates may charge Franchisee upfront and ongoing fees for any required or recommended proprietary software or technology that Franchisor or its affiliates license to Franchisee and for other information system maintenance and support services provided to Franchisee.

Despite Franchisee's obligation to buy, use, and maintain the information system according to Franchisor's standards and specifications, Franchisee has sole and complete responsibility for: (1) acquiring, operating, maintaining, and upgrading the information system; (2) the manner in which Franchisee's information system interfaces with Franchisor's and any third party's computer system; (3) any and all consequences if the information system is not properly operated, maintained, and upgraded; and (4) independently determining what is required for Franchisee to comply (and then complying) at all times with the most current version of the Payment Card Industry Data Security Standards, and with all laws (including privacy laws) governing the use, disclosure, and protection of consumer data and the information system, and validating compliance with those standards and laws as may be periodically required.

VII. QUALITY CONTROL, UNIFORMITY AND STANDARDS REQUIRED OF FRANCHISEE

A. Quality and Service Standards. Franchisor will develop, from time to time, uniform standards of quality, cleanliness and service regarding the business operations of Franchisee's restaurant to protect and maintain (for the benefit of Franchisor and all of its franchisees) the distinction, valuable goodwill and uniformity represented and symbolized by the Marks and the System. Franchisee agrees to maintain the uniformity, appearance and quality standards required by Franchisor for all foods, products and services associated with the Marks and the System and agrees to the terms and conditions contained in this Article to assure the public that all Chicken Salad Chick restaurants will be uniform in nature and will sell and dispense quality foods, products and services in a competent and friendly manner.

B. Identification of Restaurant. Franchisee will operate the Restaurant so that it is clearly identified and advertised as a Chicken Salad Chick restaurant. The style and form of the words "Chicken Salad Chick" and the other Marks used in any advertising, marketing, public relations or promotional program must have the prior written approval of Franchisor. Franchisee will use the name "Chicken Salad Chick," the approved logos and all graphics commonly associated with the System and the Marks, which now or hereafter may form a part of the System, on all paper supplies, furnishings, advertising, public relations and promotional materials, signs, stationery, business cards, napkins, menus, food and beverage containers, placemats, uniforms and other materials in the identical combination and manner as may be prescribed by Franchisor in writing. Franchisee will, at its expense, comply with all legal notices of registration required by Franchisor or its attorneys and will, at its expense, comply with all trademark, trade name, service mark, copyright, patent or other notice markings that are required by Franchisor or by applicable law.

C. Compliance with Standards. Franchisee will use the Marks and the Restaurant System in strict compliance with high moral and ethical standards, quality standards, health standards, operating procedures, specifications, requirements and instructions required by

Franchisor, which may be amended and supplemented by Franchisor from time to time in the COM or otherwise in writing. Without limiting the generality of the foregoing, Franchisee shall operate the Restaurant with Franchisor's professional and ethical image which Franchisee acknowledges is an integral part of Franchisor's System. Franchisee shall use its best efforts to ensure that no alcoholic beverages are sold, served or consumed at the Premises, as such beverages are prohibited in the System.

D. Franchisee's Name. Franchisee will not use the name "Chicken Salad Chick" or any derivative thereof in its corporate, limited liability company, partnership or other entity name. Franchisee will hold itself out to the public as an independent contractor operating its Restaurant pursuant to a grant of franchise from Franchisor. Franchisee will file for a certificate of assumed name in the manner required by applicable state law to notify the public that Franchisee is operating its Restaurant as an independent contractor pursuant to this Agreement. Franchisee shall also post a notice at the Restaurant notifying all of its employees that they are employees of Franchisee and not the Franchisor.

E. Interests of Operating Partner. The Operating Partner (or Franchisee if an individual) responsible for operating and managing the Restaurant will be dedicated solely to the operating of the Restaurant(s) and will not hold any interest in, operate, or manage any other business of any kind without the prior written approval of Franchisor. The Restaurant must at all times be under the direct supervision of Franchisee or the Operating Partner. In the event that the Operating Partner resigns or is otherwise terminated, you will have thirty (30) days to hire a replacement Operating Partner who meets our then-current standards and who is approved by Franchisor in writing before hiring.

F. Approved Advertising. Franchisee will not conduct any advertising and/or promotion for its Restaurant unless and until Franchisor has given Franchisee prior written approval for all concepts, materials and media proposed for any such advertising and/or promotion. Franchisee will not permit any third party to advertise its business, services or products on the Premises of the Restaurant.

G. Default Notices and Significant Correspondence. Franchisee will deliver to Franchisor immediately upon receipt by Franchisee or delivery at the Premises, an exact copy of all: (a) notices of default received from the landlord of the Premises or any mortgagee, trustee under any deed of trust, contract for deed holder, lessor, or any other party with respect to the Premises; (b) notifications or other correspondence relating to any legal proceeding or lawsuit relating in any way to Franchisee's Restaurant or to the Premises; (c) consumer complaints or claims; and (d) inspection reports or any other notices, claims, reports, warnings or citations from or by any governmental authority, including any health or safety authority. Upon a written request from Franchisor, Franchisee will provide such additional information as may be required by Franchisor regarding the subject matter of the correspondence or other writings received by Franchisee or delivered at the Premises.

H. Vending and Gaming Machines; Tickets. Franchisee will not permit any television, radio, jukebox, video and electronic games, vending machines (including cigarette, gum and candy machines), newspaper racks, posters or other written announcements, rides or other mechanical or electronic entertainment devices, coin or token operated machines (including pinball), or gambling machines or other gambling devices to be used on the Premises, except with the prior written approval of Franchisor which may be withheld as Franchisor deems best. Franchisee will not keep or offer for sale or allow employees to offer for sale at or near the

Premises any tickets, subscriptions, pools, chances, raffles, lottery tickets or pull tabs, except with prior written approval of Franchisor.

I. Permitted Sales. Franchisee will offer for sale at the Restaurant only those menu items, food products and other items approved in writing by Franchisor.

J. Operation of the Chicken Salad Chick Restaurant. Franchisee or the Operating Partner will be totally and solely responsible for the operation of its Restaurant and will control, supervise and manage all the employees, agents and independent contractors who work for or with Franchisee including but not limited to hiring, firing, discipline, supervision, direction of work and hours of work, as well as wages. Franchisee will be responsible for the acts of its employees, agents, and independent contractors and will take all reasonable business actions necessary to ensure that its employees, agents and independent contractors comply with all applicable federal, state, city, local and municipal laws, statutes, ordinances, rules and regulations. Franchisor will not have any right, obligation or responsibility to control, supervise or manage Franchisee's employees, agents or independent contractors.

For avoidance of doubt, neither the System nor the COM shall mandate personnel policies or procedures including those relating to hiring, firing, discipline, wages, scheduling or other terms and conditions for Franchisee's employees and contractors and Franchisee is solely responsible for establishing such policies and procedures.

K. Compliance with Applicable Laws and Good Business Practices.

1. Franchisee will, at its expense, comply with all applicable federal, state, city, local and municipal laws, statutes, ordinances, rules and regulations pertaining to the construction or remodeling of the Premises and the operation of the Restaurant including, but not limited to, all health and food service licensing laws, all health and safety regulations, all environmental laws, all wage and hour laws, employment laws, workers' compensation laws, discrimination laws, sexual harassment laws, and disability discrimination laws. Franchisee will, at its expense, be solely and exclusively responsible for determining the licenses and permits required by laws for the Restaurant, for qualifying for, and obtaining and maintaining all such licenses and permits, and for complying with all applicable laws.

2. Franchisee must comply with Franchisor's reasonable instructions regarding the organizational, physical, administrative, and technical measures and security procedures to safeguard the confidentiality and security of the names, addresses, telephone numbers, e-mail addresses, dates of birth, demographic or related information, buying habits, preferences, credit-card information, and other personally-identifiable information of customers ("Consumer Data") and, in any event, employ reasonable means to safeguard the confidentiality and security of Consumer Data. Franchisee must comply with all laws governing the use, protection, and disclosure of Consumer Data.

If there is a Data Security Incident at the Restaurant, Franchisee must notify Franchisor immediately after becoming aware of the actual or suspected occurrence, specify the extent to which Consumer Data was compromised or disclosed, and comply and cooperate with Franchisor's instructions for addressing the Data Security Incident in order to protect Consumer Data and the Chicken Salad Chick restaurant brand (including giving Franchisor or its designee access to Franchisee's information system, whether remotely or at the Restaurant). Franchisor (and its designated affiliates) have the right, but

no obligation, to take any action or pursue any proceeding or litigation with respect to the Data Security Incident, control the direction and handling of such action, proceeding, or litigation, and control any remediation efforts.

"Data Security Incident" means any act that initiates either internally or from outside the Restaurant's computers, point-of-sale terminals, and other technology or networked environment and violates the law or explicit or implied security policies, including attempts (either failed or successful) to gain unauthorized access (or to exceed authorized access) to the System, Chicken Salad Chick restaurants, or their data or to view, copy, or use Consumer Data or Confidential Information without authorization or in excess of authorization; unwanted disruption or denial or service; unauthorized use of a system for processing or storage of data; and changes to system hardware, firmware, or software characteristics without Franchisor's knowledge, instruction, or consent.

If Franchisor determines that any Data Security Incident results from Franchisee's failure to comply with this Agreement or any requirements for protecting the information system and Consumer Data, Franchisee must indemnify Franchisor under Section XXII.B and compensate Franchisor for all other damages it incurs as a result of Franchisee's breach of this Agreement.

L. Payment of Taxes. Franchisee will be absolutely and exclusively responsible and liable for filing all required tax returns and for the prompt payment of all federal, state, city and local taxes including, but not limited to, individual and corporate income taxes, sales and use taxes, franchise taxes, gross receipts taxes, employee withholding taxes, social security and Medicare taxes, inventory taxes, personal property taxes and real estate taxes (hereinafter referred to as "taxes") payable in connection with the Restaurant. Franchisor will have no liability for these or any other taxes which arise or result from Franchisee's restaurant.

M. Standard Attire or Uniforms. To protect and maintain the goodwill of the Marks and System, Franchisee will require its employees to wear the standard attire or uniforms described in the COM. All employees of Franchisee will wear clean and neat attire and will practice good personal hygiene.

N. Business Hours; Personnel. Franchisee's Restaurant will be open during the business hours specified by Franchisor in the COM. Each Restaurant must have a dedicated General Manager and the number of Assistant Managers based on volume to run the operations. These dedicated managers are over and above the Franchisee, however, it is acceptable for the General Manager to also be an Operating Partner as defined herein. The General Manager and all Assistant Managers must satisfy our educational and business criteria. Franchisee will at all times during business hours have management personnel on duty who are responsible for scheduling and supervising the employees and managing the business operations of Franchisee's Restaurant. To protect and maintain the goodwill of the Marks and System, Franchisee will have a sufficient number of adequately trained and competent service, kitchen and other personnel on duty to guarantee efficient service to Franchisee's customers.

O. Inspection Rights. Franchisee will permit Franchisor or its representatives to enter, remain on, and inspect the Premises, whenever Franchisor reasonably deems it appropriate and without prior notice, to interview Franchisee's customers, to take photographs and videotapes of, and to examine the interior and exterior of the Premises, to examine representative samples of the foods, beverages and other products sold or used at Franchisee's Restaurant and to evaluate the quality of the foods, beverages, products and services provided by Franchisee to its

customers. Franchisor will also have the right to send a representative of Franchisor to dine at Franchisee's Restaurant to evaluate the operations of Franchisee's Restaurant and the quality of the food and services provided by Franchisee to its customers. Franchisor will have the right to use all interviews, photographs and videotapes of Franchisee's Restaurant for such purposes as Franchisor deems appropriate including, but not limited to, use in advertising, marketing and promotional materials. Franchisee will not be entitled to, and hereby expressly waives, any right that it may have to be compensated by Franchisor, its advertising agencies, and other franchisees of Chicken Salad Chick restaurants for the use of such photographs or videotapes for advertising, marketing and promotional purposes. Franchisor will not use any photographs of Franchisee's employees or customers unless written releases have been obtained by Franchisor.

P. Security Interest in Franchise Agreement. This Agreement and the franchise granted to Franchisee hereunder may not be used as collateral or be the subject of a security interest, lien, levy, attachment or execution by Franchisee's creditors or any financial institution, except with the prior written approval of Franchisor.

Q. Credit Cards. Franchisee will honor all credit, charge, courtesy or cash cards or other credit devices required or approved by Franchisor in the COM or otherwise in writing. Franchisee must obtain the written approval of Franchisor prior to honoring any unapproved credit, charge, courtesy or cash cards or other credit devices.

R. Gift Certificates and Coupons. Franchisee will not sell or issue gift certificates without the written consent of Franchisor. Franchisee will not issue coupons or discounts of any type except as may be approved in advance in writing by Franchisor. Franchisor may issue standards and specifications for issuing and honoring/redeeming coupons, gift/loyalty/stored-value cards, and similar items and administering customer loyalty/affinity and similar programs. Franchisee must participate in, and comply with the requirements of, Franchisor's gift/loyalty/stored-value card and other customer loyalty programs. Franchisor may draft from Franchisee's bank account all monies paid to Franchisee for gift/loyalty/stored-value cards and similar customer loyalty initiatives and hold those monies until the gift/loyalty/stored-value cards and similar customer loyalty initiatives are redeemed at the Restaurant (or another Chicken Salad Chick Restaurant). However, Franchisor may keep any prepaid amounts that are not used by customers to the extent allowed by applicable law.

S. Maintenance. Franchisee will, at its expense, repair, paint and keep in a clean and sanitary condition the interior, the exterior, the parking lot, signage, exterior lighting, and the grounds of the Premises and the Restaurant, and will replace all floor coverings, wall coverings, light fixtures, curtains, blinds, shades, furniture, room furnishings, wall hangings, signs, fixtures and other décor items as they become worn-out, soiled or in disrepair. All mechanical equipment including ventilation, heating and air conditioning, must be kept in good working order by Franchisee at all times. All replacement equipment, décor items, furniture, fixtures, signs, supplies and other items used at the Restaurant by Franchisee must comply with the then-current standards and specifications of Franchisor.

T. Remodeling of the Premises. Franchisee will make the reasonable capital expenditures necessary to extensively remodel, modernize, redecorate and renovate ("remodel" or "remodeling") Franchisee's Restaurant and to replace and modernize the furniture, fixtures, supplies and equipment ("FF&E") so that the Restaurant will reflect the then-current image of a Chicken Salad Chick restaurant. All remodeling and all replacements for the FF&E must conform to the then-current specifications of Franchisor. Franchisee will commence remodeling the Premises within four (4) months after the date Franchisee receives written notice from Franchisor

specifying the required remodeling and will diligently complete such remodeling within a reasonable time after its commencement. Franchisee will not be required to remodel the Restaurant, or to replace and modernize its FF&E more than once every five (5) years during the term of this Agreement.

U. Alterations to Premises. Franchisee will not install or permit to be installed on or above the Restaurant, without the prior written consent of Franchisor, any fixtures, furnishings, equipment, décor, signs or other items not previously approved by Franchisor.

V. Other Business. Franchisee will use the Premises solely for the operation of the Restaurant and will not directly or indirectly operate or engage in any other business or activity from the Premises without the prior written consent of Franchisor. Franchisee will not participate in any dual branding program, or in any other program, promotion or business pursuant to which a trademark, service mark, trade name, logo, slogan, or commercial symbol owned by any person or entity other than Franchisor is displayed, featured or used in connection with the Restaurant without the prior written consent of Franchisor.

W. Standards of Service. Franchisee will at all times give prompt, courteous and efficient service to its customers. Franchisee will, in all dealings with its customers, suppliers and the public, adhere to the highest standards of honesty, integrity, fair dealing and ethical conduct. Franchisee shall meet and maintain the highest health standards and ratings applicable to the operation of the Restaurant as may be more particularly described in the COM.

X. Payments to Creditors. Franchisee will timely pay all of its obligations and liabilities due and payable to Franchisor, suppliers, lessors and its creditors.

Y. Employees. To protect and maintain the goodwill of the Marks and System, Franchisee will maintain a competent, conscientious and well-trained staff with enough personnel to operate the Restaurant in a professional and competent manner. All management employees must complete a food handlers' safety class or its equivalent in Franchisee's local market within two (2) weeks of employment by Franchisee.

Z. Telephone Number and Related Items. Franchisee shall execute and deliver to Franchisor a form of assignment of Franchisee's telephone numbers and listings for the Restaurant prior to the commencement of use such numbers or listings (see Exhibit C). Franchisee acknowledges and agrees that the telephone company and all listing services may accept this agreement for the telephone number assignment as conclusive evidence of Franchisor's exclusive right in such telephone numbers and listings and its authority to direct their transfer. Franchisee shall be solely responsible for all fees, charges and costs attributable to the telephone numbers until such time, if any, as Franchisor effectuates the telephone number assignment pursuant to Franchisee's post term obligations under this Agreement.

Franchisee shall immediately notify the telephone company providing service to Franchisee and all telephone directory publishers of the termination or expiration of Franchisee's right to use any telephone number and any regular, classified or other telephone directory listings associated with any Mark, and to authorize transfer or forwarding thereof to Franchisor at its direction. Franchisee acknowledges that, between it and Franchisor, Franchisor has the sole rights to and interest in all telephone numbers and directory listings associated with any of the Marks. Franchisee authorizes Franchisor, and hereby appoints Franchisor as Franchisee's attorney-in-fact to direct the telephone company providing service to Franchisee at the Restaurant and all telephone directory publishers to transfer or forward any telephone numbers and directory

listings to Franchisor at its direction should Franchisee fail or refuse to do so. The telephone company providing such service and all telephone directory publishers may accept such direction or this Agreement as conclusive proof of Franchisor's exclusive rights in such telephone numbers and directory listings and Franchisor's authority to direct their transfer.

AA. Internet Use. Franchisee shall not create, affiliate with or advertise on any web or social media site on the internet without the prior written consent of Franchisor. Franchisor retains the sole right to advertise on the internet and create a web site using the name Chicken Salad Chick and any variations thereof. Franchisee acknowledges that Franchisor is the owner of all right, title and interest in and to such domain names as Franchisor shall designate. Any social media relating to Franchisee or the Restaurant shall be conducted through Franchisor's website. Franchisee must adhere to Franchisor's guidelines and restrictions with respect to social media and at all times comply with Franchisor's Code of Conduct which is set forth in the COM.

BB. Charity Approval. Franchisee shall obtain Franchisor's prior approval of any charity to whom Franchisee wishes to contribute in the name of the Restaurant.

VIII. FOODS, PRODUCTS AND SERVICES

A. Limitations on Foods, Products and Services. Franchisee will sell only those foods, food items, beverages, food products, services and other items ("foods, products and services") approved by Franchisor in writing, and will offer for sale all foods, products and services prescribed by Franchisor or approved by Franchisor in writing. Franchisee will maintain sufficient inventories of foods, beverages, food products and other items to realize the full potential of the Restaurant. Franchisee will conform to all customer service standards prescribed by Franchisor in the COM or otherwise in writing.

B. Limitation on Sales. Franchisee will offer for sale and sell those foods, products and services offered for sale in connection with Franchisee's restaurant or which are sold under any of the Marks only on a retail basis at the Restaurant. Franchisee will not offer for sale or sell on a wholesale or retail basis at any other location or in any other premises, or by means of the Internet, catalogue or mail order sales, telemarketing, or by any other method of sales or distribution, any of the foods, products and services offered for sale or sold in connection with the Restaurant or which are sold under any of the Marks.

C. Delivery and Catering. Franchisee must comply with Franchisor's standards prior to: (a) offering or providing delivery, whether for a fee or not, of any food, food product, beverage, or other item offered for sale in connection with the Restaurant; or (b) offering or providing catering services in connection with the Restaurant.

D. Approved Suppliers and Distributors. Franchisee will purchase from suppliers and distributors approved in writing by Franchisor those foods, food items, beverages, recipe ingredients, goods, products, supplies, sundries, uniforms, machinery, signs, furniture, fixtures, equipment and services ("products and services") designated in writing by Franchisor which are to be used or sold by Franchisee and which Franchisor determines must meet the standards of quality and uniformity required to protect the valuable goodwill and uniformity symbolized by and associated with the Marks and the System and/or to protect the health and safety of Franchisee's employees, customers and guests.

E. Approval of Suppliers. Except as provided in Section VIII.F below, Franchisee will have the right and option to purchase the products and services specified by Franchisor from

other or outside suppliers and distributors provided that such products and services conform in quality to the standards and specifications of Franchisor and provided that Franchisor determines that the supplier's or distributor's business reputation, quality standards, delivery performance, credit rating, and other factors specified by Franchisor are satisfactory. If Franchisee desires to purchase any products or services from such other suppliers and distributors, then Franchisee must, at its expense, submit samples and specifications, and other business and product information as requested to Franchisor for review and/or product testing to determine whether the supplier or distributor and its products and services are satisfactory to Franchisor and comply with Franchisor's standards and specifications. Franchisor will also have the right to inspect the facilities of the proposed supplier or distributor. Franchisee will reimburse Franchisor for the costs and expenses incurred by Franchisor to conduct an inspection of the facilities of the unapproved supplier or distributor within thirty (30) days after Franchisee's receipt of an invoice for such costs and expenses from Franchisor. Franchisor will complete all product testing within thirty (30) days after Franchisor receives the samples and other requested information from Franchisee and will notify Franchisee of its determination within fifteen (15) days after completion of the product testing. Written approval of Franchisor must be obtained by Franchisee before any previously unapproved products and services are sold by or used by Franchisee or any previously unapproved supplier or distributor is used by Franchisee.

F. Designated Suppliers. Franchisee will purchase from Franchisor or designated suppliers (which may include or be limited to Franchisor's affiliates and/or other restricted sources) those proprietary décor items, meats, sauces, seasonings, spices and other foods, food items and recipe ingredients designated in writing by Franchisor which are to be used or sold by Franchisee and which Franchisor determines (1) must meet the standards of quality and uniformity required to protect the valuable goodwill and uniformity symbolized by and associated with the Marks and the System or (2) for any other reason must be acquired only from designated or restricted sources that Franchisor specifies.

G. Name Brand Products. Franchisee will purchase and use in its Restaurant all the brand name products required by Franchisor. Such required brand name products may be purchased from any commercial supplier of such products.

H. Promotional Allowances or Other Payments. Any promotional allowances or other payments which are paid to Franchisor by a supplier or distributor as a result of Franchisee's purchases from the supplier or distributor pursuant to this Article will be deposited into the Brand Fund and will be used in accordance with Section V.C of this Agreement or will be placed in a separate fund to cover the cost of franchisee conferences, conventions or incentive programs. If requested by Franchisor, Franchisee shall execute and deliver to Franchisor such documents as are required by approved or designated suppliers for such purpose. Franchisee consents to Franchisor contacting and obtaining any information from any current or former supplier, landlord or vendor of Franchisee at any time.

I. Branding of Products. Franchisee will not under any circumstances have the right to: (a) use or display the Marks on or in connection with any product or service other than those foods, products and services prescribed or approved by Franchisor; (b) acquire, develop or manufacture any product using the name "Chicken Salad Chick" or any of the other Marks, or direct any other person or entity to do so; (c) acquire, develop or manufacture any product that has been developed or manufactured by or for Franchisor for use in the System and which is sold under any of the Marks, or direct any other person or entity to do so; and (d) use, have access to, or have any rights to any proprietary formulas, ingredients, or recipes for any product created by

or at the direction of Franchisor and sold under the name “Chicken Salad Chick” or any of the Marks.

J. Independent Shopping Services; Surveys. Franchisor will have the right to hire an independent shopping service to visit, dine at and evaluate Franchisee’s Restaurant and the quality of the foods, beverages and services provided to customers by the Restaurant. Franchisor will determine the number and frequency of the visits the shopping service will make to the Restaurant and the form of the reports the shopping service will provide to Franchisor. The fees charged by the shopping service for visiting and evaluating Franchisee’s restaurant will be paid by Franchisor. Franchisor will provide Franchisee with copies of all reports prepared by the shopping service evaluating Franchisee’s Restaurant. Franchisor shall also have access to Franchisee’s Restaurant at reasonable times to conduct surveys from Franchisee’s customers concerning Franchisee’s Restaurant.

IX. CONFIDENTIAL OPERATIONS MANUAL

A. COM. In order to protect the reputation and goodwill of Franchisor and to maintain uniform standards of operation under Franchisor's Marks, Franchisee shall conduct its business in accordance with Franchisor's Confidential Operations Manual (the “COM”), one (1) copy of which Franchisee acknowledges having received on loan from Franchisor for the term of this Agreement.

B. Confidentiality. Franchisee shall at all times treat the COM, any other manuals created for or approved for use in the operation of the Restaurant, and the information contained therein, as confidential, and shall use all reasonable efforts to maintain such information as secret and confidential. Franchisee shall not at any time, without Franchisor's prior written consent, copy, duplicate, record or otherwise reproduce the foregoing materials, in whole or in part, nor otherwise make the same available to any unauthorized person. Franchisee acknowledges that any unauthorized use of the COM or unauthorized disclosure of its contents will cause irreparable injury to Franchisor.

C. Ownership of COM. The COM shall at all times remain the sole property of Franchisor.

D. Modification. Franchisor may modify the COM from time to time to reflect changes in standards, specifications and operating procedures and Franchisee agrees to comply with each new or changed standard, provided that no addition or modification shall alter Franchisee's fundamental status and rights under this Agreement nor shall it increase the royalty fees or advertising contribution to be paid by Franchisee. The implementation of new or changed standards may require the expenditure of reasonable sums of money by Franchisee.

E. Duty to Keep COM Current. Franchisee shall at all times ensure that its copy of said COM is kept current and up-to-date, and in the event of any dispute as to the contents of said COM, the terms of the master copy of the COM maintained by Franchisor at Franchisor’s home office shall be controlling.

F. Enforcement. Franchisee acknowledges that the unauthorized use, copying, disclosure or distribution of the COM will cause irreparable injury to Franchisor and that damages are not an adequate remedy and shall constitute grounds for termination of this Agreement.

X. CONFIDENTIAL INFORMATION

Franchisee will not, during the term of this Agreement or thereafter, communicate, divulge, or use for the benefit of any other person, persons, partnership, association or corporation any Confidential Information, knowledge or know-how concerning the construction and methods of operation of the business licensed hereunder which may be communicated to Franchisee, or of which Franchisee may be apprised, by virtue of Franchisee's operation under the terms of this Agreement. Franchisee shall divulge such Confidential Information only to such of its employees as must have access to it in order to operate the Restaurant. Any and all information, knowledge and know-how, including without limitation, drawings, materials, equipment, recipes, vendors, formulas and other data, which Franchisor designates as confidential shall be deemed confidential for purposes of this Agreement, except information which Franchisee can demonstrate came to its attention prior to disclosure thereof by Franchisor; or which, at the time of disclosure by Franchisor to Franchisee, had become a part of the public domain, through publication or communication by others, without violating any obligation to Franchisor or applicable law; or which, after disclosure to Franchisee by Franchisor, becomes a part of the public domain, through publication or communication by others, without violating any obligation to Franchisor or applicable law. Franchisee shall require all its managers, assistant managers, and employees, as a condition to their employment or thereafter, to execute a nondisclosure agreement (in the form attached hereto as Exhibit D), prohibiting them from communicating, divulging or using for the benefit of any other person, persons, partnership, association or corporation any confidential information, knowledge or know-how concerning the methods of operation of the franchise granted herein which may be acquired during the term of their employment. Under no circumstances will Franchisor control the forms or terms of employment agreements Franchisee uses with Restaurant employees or otherwise be responsible for Franchisee’s labor relations or employment practices.

Franchisee agrees to protect all Confidential Information on its computer system by installing secure networks and firewalls as prescribed by Franchisor in its COM. If Franchisee fails to protect the Confidential Information in accordance with the guidelines set forth in the COM, Franchisor has the right to take such action as it deems necessary to maintain its security standards at Franchisee’s expense.

XI. MARKS

A. Use of Marks. It is understood and agreed that this license to use Franchisor's Marks applies only to their use in connection with the operation of the Restaurant at the Premises and includes only such Marks as are now or may hereafter be designated by Franchisor in writing for use by Franchisee, and no other Marks of Franchisor now existing or yet to be developed or acquired by Franchisor. Franchisee agrees to operate and advertise the Restaurant only under the Marks designated by Franchisor in writing for that purpose (or under such other name or mark as Franchisor may designate in writing, if Franchisee is prevented by applicable law from using any of the Marks owing to their prior registration or use by a third party).

B. Ownership of Marks. Franchisor owns and has the right to license the Marks to Franchisee. Franchisee acknowledges Franchisor's right and interest in the Marks, the identification schemes, standards, specifications, operating procedures and other concepts embodied in the System. Franchisee accordingly agrees that any unauthorized use of the System and the Marks is and shall be deemed an infringement of Franchisor's rights; that, except as expressly provided by this Agreement, Franchisee acquires no right, title or interest therein; that any and all goodwill associated with the System and the Marks shall inure exclusively to

Franchisor's benefit; and that, upon the expiration or termination of this Agreement, no monetary amount shall be assigned as attributable to any goodwill associated with Franchisee's use of the System and the Marks.

C. Unauthorized Use of Marks. Franchisee acknowledges that the use of the Marks outside of the scope of this license, without Franchisor's prior written consent, is an infringement of Franchisor's exclusive right and interest in and to the Marks, and expressly covenants that during the term of this license, and after the expiration or termination hereof, Franchisee shall not, directly or indirectly, commit any act of infringement or contest or aid in contesting the validity or ownership of Franchisor's Marks, or take any other action in derogation thereof.

D. Monitoring of Marks. Franchisee shall promptly notify Franchisor of any use by any person or legal entity other than Franchisor or another of its franchisees of any Marks licensed hereunder, any colorable variation thereof, or any other mark in which Franchisor has or claims a proprietary interest. Franchisee further agrees to notify Franchisor promptly of any litigation instituted by any person or legal entity against Franchisor or Franchisee involving the Marks. Franchisee acknowledges that Franchisor has the right to control any administrative proceeding or litigation involving the Marks. In the event Franchisor, in its sole discretion, undertakes the defense or prosecution of any litigation relating to the Marks, Franchisee agrees to execute any and all documents, and to render such assistance (but excluding financial assistance) as may, in the opinion of Franchisor's counsel, be reasonably necessary to carry out such defense or prosecution.

E. Franchisee's Operation under the Marks. Franchisee understands and acknowledges that each and every detail of Franchisor's System is important to Franchisee and Franchisor in order to develop and maintain high and uniform standards of quality and service, and hence, to protect and enhance the reputation and goodwill of Franchisor, Franchisee accordingly agrees:

1. to refrain from using any of the Marks in conjunction with any other word or symbol without Franchisor's prior written consent;

2. to adopt and use the Marks licensed hereunder solely in the manner prescribed by Franchisor;

3. to execute all documents requested by Franchisor or its counsel that are necessary to obtain protection for the Marks or to maintain their continued validity or enforceability, and to take no action that would jeopardize the validity or enforceability thereof.

F. Modification of Marks. If it becomes advisable at any time in Franchisor's sole discretion for Franchisor and/or Franchisee to modify or discontinue the use of any Mark, and/or use one or more additional or substitute trademarks, service marks or trade dress, Franchisee agrees to comply with Franchisor's directions within a reasonable time after notice thereof. Franchisor need not reimburse Franchisee's expenses to comply with those directions (such as its costs to change signs or to replace supplies for the Restaurant), any loss of revenue due to any modified or discontinued Mark, or Franchisee's expenses to promote a modified or substitute trademark or service mark or trade dress.

XII. TRAINING PROGRAM; OPENING ASSISTANCE

A. Training. If Franchisee has not previously owned a Chicken Salad Chick restaurant, Franchisor will provide a training program for Franchisee or its Operating Partner and two (2) other key employees in Atlanta, Georgia, or at another approved training site designated by Franchisor, to educate, familiarize and acquaint him/her with the System and the operations of the Chicken Salad Chick restaurant. Franchisor's training program is intended to maintain and protect the Marks and System and not to control the day-to-day operations of the Restaurant. Franchisor's training program will consist of on-the-job instruction on basic business procedures, equipment operation and maintenance, scheduling, basic accounting principles, computer operations, advertising and promotion, purchasing procedures, food preparation, food safety, food presentation, food quality, food portions, food and beverage inventory and cost control, customer service, janitorial service, general maintenance and other topics selected by Franchisor (excluding aspects relating to labor relations and employment practices). Franchisee or its Operating Partner must attend and successfully complete Franchisor's training program and be certified in writing by Franchisor prior to commencing the business operations of Franchisee's restaurant. The training program will be scheduled by Franchisor in its sole discretion and will be for a minimum of two (2) weeks. If Franchisee, its Operating Partner or Franchisee's manager does not successfully complete the required training program, then such person will not be permitted or authorized to participate in the operations of the Restaurant.

B. Changes in Personnel. To protect and maintain the goodwill of the Marks and System, Franchisee must at all times employ managers who have successfully completed the prescribed training program and, consequently, have been certified in writing by Franchisor as qualified to participate in the operation of Franchisee's restaurant. Franchisee will immediately notify Franchisor in writing of any personnel changes in the position of manager of the Restaurant. If Franchisee hires a new manager who has not successfully completed the required Franchisor training program, then that person must begin the training program within thirty (30) days after the date of hire by Franchisee and must attend and successfully complete the training program. If, in the judgment of Franchisor, the new manager does not successfully complete the required Franchisor training program, then Franchisee will not permit that person to continue to participate in the operation of the Restaurant.

C. Initial Training of New Personnel. The initial training program for new managers required pursuant to Article XII.B. of this Agreement will be conducted by Franchisor at either the Restaurant, Franchisor's headquarters in Atlanta, Georgia or another site designated by Franchisor at the sole discretion of Franchisor. If Franchisor provides the initial training program for a new manager at the Restaurant, Franchisee will pay Franchisor the then-current on-site training fee and reimburse Franchisor for all expenses it incurs in connection with providing the training at the Restaurant, including travel, lodging, food, and automobile rental costs, within ten (10) days after receipt of an invoice from Franchisor. If the initial training program is provided at Franchisor's headquarters or company-owned restaurant, then Franchisee will pay the then current training fee.

D. Payment of Salaries and Expenses; Consent and Waiver. Franchisee will pay the salaries, fringe benefits, payroll taxes, unemployment compensation, workers' compensation insurance, lodging, food, entertainment, automobile rental, travel costs and all other expenses for all persons who attend any training program on behalf of Franchisee.

E. Opening Assistance. Unless Franchisee (and its affiliates) owns and operates two (2) or more Chicken Salad Chick restaurants, Franchisor will, at its expense, provide for an

"Opening" Team who will work at the Restaurant for a period of up to ten (10) consecutive days to provide opening assistance to Franchisee. The opening assistance will include implementing internal controls, purchasing food, beverages, supplies, and other items, implementing accounting procedures, implementing the System and evaluating Franchisee's initial business operations. Franchisee will not open and commence initial business operations until Franchisor has given Franchisee written approval to open Franchisee's restaurant.

F. Annual Conference. Franchisor requires Franchisee, its Operating Partner, its manager or at least one of its key personnel to attend Franchisor's franchisee conferences, whether conducted annually or otherwise. Franchisor does not charge for attendance at its conference. However, Franchisee must pay the salaries, fringe benefits, payroll taxes, unemployment compensation, workers compensation insurance, travel expenses, lodging, food, automobile rental costs and all other expenses related to the attendance at such conferences.

G. Hiring and Training of Employees by Franchisee. Franchisee will hire all employees of the Restaurant, will be exclusively responsible for the terms of their employment and compensation, and will implement a training program for employees of the Restaurant in compliance with the COM. Franchisee will at all times maintain a staff of trained employees sufficient to efficiently operate the Restaurant in compliance with the standards established by Franchisor.

XIII. SITE SELECTION; CONSTRUCTION COSTS; BUSINESS PREMISES SPECIFICATIONS; SIGNS

A. Site Selection. Franchisee will be solely responsible for selecting the site of the Premises for Franchisee's Restaurant subject to Franchisor's acceptance, regardless of whether the Premises is owned or leased by Franchisee. No provision in this Agreement will be construed or interpreted to impose any obligation upon Franchisor to locate a site for the Restaurant, to assist Franchisee in the selection of a suitable site for the Restaurant, or to provide any assistance to Franchisee in the purchase or lease of the Restaurant. Franchisee agrees to reimburse Franchisor for all expenses incurred by Franchisor in connection with site acceptance including travel, meals, and lodging. If Franchisee fails to submit a site that Franchisor accepts within one hundred twenty (120) days after the Effective Date, Franchisor has the right to terminate this Agreement. Exhibit A-1 identifies the area in which Franchisee may look for its Restaurant's proposed Premises (that area will not determine the size or description of the Protected Area once the Premises is located).

If Franchisee leases the Premises, the lease shall be submitted to Franchisor, prior to execution, for Franchisor's confirmation that Franchisor's form of Lease Rider, including but not limited to the following provisions, are contained in the lease: (1) a provision that Franchisor or Franchisor's designee shall have the right to assume the lease for all or any part of the lease term upon Franchisee's default or termination thereunder or upon expiration or termination of this Agreement, and (2) a provision that upon termination of the Franchise Agreement, Franchisor shall have the right to enter upon the Premises and remove all Marks. If Franchisee executes a lease without Franchisor's approval or without Franchisor's required form of Lease Rider and its required provisions attached to the lease, Franchisee shall be in default and this Agreement may be terminated pursuant to Section XVIII.B hereof.

B. Site Selection Criteria. Franchisee will not lease, purchase or otherwise acquire a site for the Restaurant until such information as Franchisor may require regarding the proposed site has been provided to Franchisor. Franchisor may require Franchisee to provide site

information relating to, among other things, accessibility, visibility, potential traffic flows, population trends, household income and financial statistics, lease terms and other demographic information. The review of the site conducted by Franchisor will not be deemed to be a warranty, representation or guaranty by Franchisor that if the Restaurant is opened and operated at that site, it will be a financial success. Franchisor will have the right to require Franchisee to obtain, at Franchisee's expense and after this Agreement is fully executed, an economic feasibility and demographics study for the proposed site of the Restaurant. Any feasibility and demographics study required by Franchisor will be completed by a real estate or marketing expert mutually agreed upon in writing by Franchisor and Franchisee. Franchisee's plan for development of the site must be submitted to Franchisor and its Real Estate Approval Committee for written approval.

C. Restaurant Plans. Franchisor will, at its expense, provide Franchisee with drawings and specifications for a typical Chicken Salad Chick restaurant. Franchisee will, at its preliminary cost, retain an approved architect and will be responsible for the preparation of working drawings, construction plans, and architectural plans and specifications for the Restaurant. Franchisee will be responsible for the accuracy of such drawings, plans and specifications. Franchisee shall not commence construction of the Restaurant until Franchisor approves Franchisee's final plans in writing. Franchisor will provide Franchisee with the architect and design firm which have been approved by Franchisor.

D. Construction and Remodeling Costs. Franchisee will, at its expense, be solely responsible for all costs and expenses incurred for the construction, renovation or remodeling of the Restaurant at the Premises including, but not limited to, all costs for architectural plans and specifications, all modifications to the floor plans and layouts necessitated by the structure, construction or layout of the Premises, building permits, site preparation, demolition, construction of the parking lot, landscaping, heating, ventilation and air conditioning, interior decorations, furniture, fixtures, equipment, leasehold improvements, labor, architectural and engineering fees, electricians, plumbers, general contractors and subcontractors. Franchisor will provide Franchisee with a list of the general contractors which have been approved by Franchisor.

E. Compliance with Specifications. The Premises and the Restaurant will conform to all specifications for décor, furniture, fixtures, equipment, exterior and interior decorating designs and color schemes established by Franchisor. Franchisee will obtain and pay for the furniture, fixtures, supplies and equipment required by Franchisor and used by Franchisee for the operation of the Restaurant. The furniture, fixtures and equipment used in the Restaurant must be installed and located in accordance with the floor plans approved by Franchisor and must conform to the quality standards and uniformity requirements established by Franchisor.

F. Inspection During Construction or Renovation. Franchisee will be solely responsible for inspecting the Premises during construction or renovation to confirm that the Premises are being constructed or renovated in a workmanlike manner and according to the specifications established by Franchisor. Franchisee will be solely responsible for complying with all applicable local, state and federal laws, ordinances, statutes and building codes, and for acquiring all licenses and building and other permits required by all federal, state, city, municipal and local laws in connection with the construction or renovation of the Restaurant at the Premises. Franchisor will have no responsibility to Franchisee or any other party if the Restaurant is not constructed or renovated by Franchisee or its architect or contractor: (a) according to the standard specifications established by Franchisor; (b) in compliance with all applicable federal, state or local laws or ordinances; or (c) in a workmanlike manner. Franchisee will not open the Restaurant for business without the prior written approval of Franchisor.

G. Approved Signs. All exterior signs at the Restaurant (the "Signs") must comply with the standard sign plans and specifications established by Franchisor. Franchisor will provide Franchisee with a copy of the standard sign plans and specifications and Franchisee will, at its expense, prepare or cause the preparation of complete and detailed plans and specifications for the Signs and will submit such plans and specifications to Franchisor for its written approval. Franchisor will have the absolute right to inspect, examine, videotape and photograph the Signs for any reason at any time during the term of this Agreement.

H. Payment of Costs and Expenses of Signs. Franchisee will, at its expense, be responsible for any and all installation costs, sign costs, architectural fees, engineering costs, construction costs, permits, licenses, repairs, maintenance, utilities, insurance, taxes, assessments and levies in connection with the construction, erection, maintenance or use of the Signs including, if applicable, all electrical work, construction of the base and foundation, relocation of power lines and all required soil preparation work. Franchisee will comply with all federal, state and local laws, regulations, building codes and ordinances relating to the construction, erection, maintenance and use of the Signs.

I. Modifications; Inspection. Franchisee may not alter, remove, change, modify, or redesign the Signs unless approved by Franchisor in writing. Franchisor will have the unequivocal and unilateral right to redesign the plans and specifications for the Signs during the term of this Agreement without the approval or consent of Franchisee. Within thirty (30) days after receipt of written notice from Franchisor, Franchisee must, at its expense, either modify or replace the Signs so that the Signs displayed at the Restaurant will comply with the redesigned plans and specifications as issued by Franchisor. Franchisee will not be required to modify or replace the Signs more than once every five (5) years.

XIV. OTHER OBLIGATIONS OF FRANCHISOR

A. Obligations of Franchisor. Consistent with the uniformity requirements and quality standards of Franchisor, Franchisor or its authorized representative will: (a) provide Franchisee with a written schedule of all foods, food products, beverages, and other items for sale, and the furniture, fixtures, supplies and equipment necessary and required for the operation of the Restaurant; (b) provide Franchisee with a list of designated or approved suppliers for the products and services necessary and required for the Restaurant; (c) upon the reasonable written request of Franchisee, render reasonable advisory services by telephone or in writing pertaining to the operation of the Restaurant; (d) provide Franchisee with a sample of the standard Chicken Salad Chick menu, and any modifications to the menu; (e) loan Franchisee a copy of the COM, and any supplements to the COM that may be published by Franchisor; and (f) provide Franchisee the opportunity to participate in group purchasing programs that Franchisor may use, develop, sponsor or provide on terms and conditions determined solely by Franchisor.

B. On-Site Advisory Assistance. If Franchisee requests in writing that Franchisor provide advisory management or operations assistance to Franchisee at the Restaurant, Franchisor will provide on-site advisory assistance deemed necessary by Franchisor. Franchisee will pay Franchisor per diem fees at the then-current daily or weekly rates charged by Franchisor and reimburse Franchisor for the costs and expenses it incurred to provide the on-site advisory assistance within ten (10) days after receipt of an invoice from Franchisor.

XV. FRANCHISEE'S ORGANIZATION AND MANAGEMENT

Franchisee and each of its Owners represents, warrants and agrees that Exhibit A to this Agreement correctly identifies each and every owner, officer and director; that Exhibit A completely and accurately describes the nature and extent of each Owner's interest in Franchisee; and that updated Exhibits A shall be furnished promptly to Franchisor so that Exhibit A (as so revised and signed by Franchisee) is at all times current, complete and accurate. Each person who is or becomes an owner and holds a ten percent (10%) or greater ownership interest in Franchisee shall execute a Guaranty and Assumption of Obligations, following the signature page hereof, undertaking to be bound jointly and severally by the terms of this Agreement.

XVI. INSURANCE

A. General. Franchisee shall procure, prior to the opening of the Restaurant, and maintain in full force and effect during the term of this Agreement, at Franchisee's sole cost and expense, an insurance policy or policies protecting Franchisee and Franchisor, and their officers, directors, partners, members and employees, against any loss, liability, personal injury, death, or property damage or expense whatsoever from fire, lightning, theft, vandalism, malicious mischief, and the perils included in the extended coverage endorsement arising or occurring upon or in connection with the Restaurant, or by reason of the construction, operation or occupancy of the Restaurant, as well as such other insurance applicable to such other special risks by Franchisee's affiliated businesses, if any, as Franchisor may reasonably require for its own and Franchisee's protection.

B. Types of Insurance. Such policy or policies shall be written by an insurance company satisfactory to Franchisor in accordance with standards and specifications set forth in the COM or otherwise in writing, and shall include, at a minimum (except as additional coverages and higher policy limits may reasonably be specified for all franchisees from time to time by Franchisor in the COM or otherwise in writing) the following:

1. a general liability insurance policy with coverage of at least $1,000,000.00 per occurrence and $2,000,000.00 aggregate;

2. automobile liability insurance with a minimum of $1,000,000.00 combined single limit coverage;

3. worker's compensation and employer's liability insurance as well as such other insurance as may be required by statute or rule of the state in which the Restaurant is located;

4. standard property policy with special form cause of loss; and

5. a Commercial Umbrella Liability Policy package in the amount of at least $2,000,000.00 that would provide coverage for any liability incurred by Franchisee in excess of Franchisee's primary insurance coverage.

C. Obligations not limited by Franchisor's Insurance. Franchisee's obligation to obtain and maintain the foregoing policy or policies in the amounts specified shall not be limited in any way by reason of any insurance which may be maintained by Franchisor, nor shall Franchisee's performance of that obligation relieve it of liability under the indemnity provisions in Article XXII.B of this Agreement.

D. Evidence of Insurance. No later than fifteen (15) days before the date on which the Restaurant opens and on each policy renewal date thereafter, evidence of satisfactory insurance and proof of payment therefor shall be furnished by Franchisee to Franchisor. The evidence of insurance shall include a statement by the insurer that the policy or policies will not be cancelled or materially altered without at least thirty (30) days prior written notice to Franchisor.

E. Failure to Procure Insurance. Should Franchisee, for any reason, fail to procure or maintain the insurance required by this Agreement, as revised from time to time for all franchisees by the COM or otherwise in writing, Franchisor shall have the right, at its option, to procure such insurance and to charge same to Franchisee, which charges, together with a reasonable fee for Franchisor's expenses in so acting, shall be payable to Franchisor immediately upon notice. Such failure by Franchisee to procure the insurance required by this Agreement shall constitute a material breach of this Agreement which will justify Franchisor's resort to any of the remedies provided by Article XVIII herein, including termination of this Agreement.

XVII. ASSIGNMENT OF INTEREST

A. Assignment by Franchisor. Franchisor may change its ownership or form and/or assign this Agreement and any other agreement to a third party without restriction. After Franchisor assigns this Agreement to a third party that expressly assumes this Agreement's obligations, Franchisor no longer will have any performance or other obligations under this Agreement. That assignment will constitute a release and novation with respect to this Agreement, and the new owner-assignee will be liable to Franchisee as if it had been an original party to this Agreement. Specifically and without limiting the foregoing, Franchisee agrees that Franchisor may sell its assets (including this Agreement), the Marks, or the System to a third party; offer its ownership interests privately or publicly; merge, acquire other business entities, or be acquired by another business entity; and/or undertake a refinancing, recapitalization, leveraged buyout, securitization, or other economic or financial restructuring.

B. Assignment by Franchisee:

1. Franchisee understands and acknowledges that the rights and duties set forth in this Agreement are personal to Franchisee, and that Franchisor has granted this license in reliance on Franchisee's character, business skill and financial capacity. Accordingly, neither Franchisee nor any Owner shall sell, assign, transfer, convey, give away, pledge, mortgage or otherwise encumber any interest in this license or in Franchisee without the prior written consent of the Franchisor, including any assignments between owners. Any purported assignment or transfer, by operation of law or otherwise, not having the written consent of Franchisor shall be null and void and shall constitute a material breach of this Agreement, for which Franchisor may then terminate without opportunity to cure pursuant to Article XVIII of this Agreement.

2. Franchisor shall not unreasonably withhold its consent to an assignment or transfer of any interest in Franchisee or in this license for the remainder of the term hereof, subject to the right of first refusal provided in Article XVII.E. hereof; provided, however, that prior to the time of assignment or transfer, Franchisor may require that:

(a) all of Franchisee's accrued monetary obligations to Franchisor and all other outstanding obligations related to the Restaurant shall have been satisfied;

(b) Franchisee and its Owners release Franchisor of any and all claims against Franchisor and its respective members, officers, directors, employees, agents, attorneys, accountants, successors and assigns on the form of release Franchisor specifies;

(c) the assignee shall demonstrate to Franchisor's satisfaction that it meets Franchisor's managerial and business standards; possesses a good moral character, business reputation, and credit rating; has the aptitude and ability to conduct the business licensed herein (as may be evidenced by prior related business experience or otherwise); and has adequate financial resources and capital to operate the business;

(d) the assignee and each of its Owners (if the assignment is of the franchise rights granted by this Agreement), or Franchisee and its owners (if the assignment is of a controlling ownership interest in Franchisee or in an entity owning a controlling ownership interest in Franchisee), if Franchisor so requires, signs Franchisor's then-current form of franchise agreement and related documents (including a Guaranty and Assumption of Obligations), any and all of the provisions of which may differ materially from any and all of those contained in this Agreement, provided, however, that (i) the term of the new franchise agreement signed will equal the unexpired portion of the term of this Agreement, and (ii) the Continuing Royalty Fee and Brand Fund contribution levels specified in this Agreement will be substituted into the then-current form of franchise agreement that is signed for the balance of the initial franchise term (i.e., the unexpired portion of this Agreement's term);

(e) at assignee's expense and upon such other terms and conditions as Franchisor may reasonably require, assignee (or its operating partner) or assignee's manager shall complete to Franchisor's satisfaction the training course then in effect for new franchisees;

(f) Franchisee and its Owners must execute a non-competition covenant, in form and substance satisfactory to Franchisor, in favor of Franchisor and the assignee, agreeing that, for a period of twenty-four (24) months commencing on the effective date of the assignment, Franchisee and its Owners will not, directly or indirectly (including without limitation, through his, her or their Immediate Families), own any legal or beneficial interest in or render services or give advice to (i) any Competitive Business that is located within the Protected Area; (ii) any Competitive Business that is located within a five (5) mile radius of any other Chicken Salad Chick restaurant in operation or under construction as of the effective date of such assignment; or (iii) any entity which grants franchises, licenses or other interests to others to operate any Competitive Business. The foregoing restriction shall be inapplicable to (i) the ownership or operation of other Chicken Salad Chick restaurants under franchise agreements with Franchisor; or (ii) the ownership of shares of a class of securities that are listed on a stock exchange or traded on the over-the-counter market and that represent less than five percent (5%) of that class of securities;

(g) if Franchisee (or any of its Owners) finances any part of the sales price of the assigned interest, Franchisee and/or Owners must agree that all obligations of the assignee, and security interests reserved by any of them in the

assets of the Restaurant, shall be subordinate to assignee's obligations to pay all amounts due to Franchisor, and to otherwise comply with this Agreement or the new franchise agreement executed by the assignee; and

(h) except in the case of an assignment to a corporation or other legal entity formed solely for the convenience of ownership pursuant to Article XVII.C. hereof, or in the event of a transfer upon Franchisee's death or permanent incapacity pursuant to Article XVII.F. of this Agreement, a transfer fee in the amount of Seven Thousand Five Hundred Dollars ($7,500.00) shall have been paid by assignor to Franchisor, which the parties agree is reasonable, to cover Franchisor's administrative and other expenses in connection with the assignment.

3. Franchisor's approval of an assignment of the franchise shall not constitute: (i) a representation by Franchisor as to the fairness of the terms of any agreement or arrangement between Franchisee or its Owners and the assignee or as to the prospects of success of the Restaurant by the assignee, or (ii) a waiver of any claims by Franchisor against Franchisee or its Owners or a waiver of Franchisor's right to demand the assignee's exact compliance with this Agreement.

C. Assignment to Franchisee's Corporation or Other Legal Entity. In the event the proposed assignment is to a corporation or other legal entity formed solely for the convenience of ownership, Franchisor's consent to such assignment may, in its sole discretion, be conditioned on the following requirements:

1. the entity shall be newly organized, and its charter shall provide that its activities are confined exclusively to operating the business licensed herein;

2. Franchisee shall not diminish his or her proportionate ownership interest in the assignee franchisee, except as may be required by law, and shall act as its principal executive officer;

3. each certificate of ownership of the new entity shall have conspicuously endorsed upon its face a statement in a form satisfactory to Franchisor (see Paragraph D of this section below) that it is held subject to, and that further assignment or transfer thereof is subject to, all restrictions imposed upon assignments by this Agreement; and

4. copies of assignee's Articles of Incorporation or Organization, By-Laws or Limited Liability Company Agreement and other governing documents, including the resolutions of the Board of Directors or members authorizing entry into this Agreement, shall be promptly furnished to Franchisor.

D. Assignment and Issuance of Securities. If Franchisee is a corporation, it shall maintain stop transfer instructions against the assignment on its records of any securities with voting rights subject to the restrictions of this Article XVII, and shall issue no such securities upon the face of which the following printed legend does not legibly and conspicuously appear:

"The transfer of this stock is subject to the terms and conditions of a franchise agreement with Simply Southern Restaurant Group, LLC. Reference is made to the provisions of the said franchise agreement and to the Certificate of Formation and Limited Liability Company Agreement of this company."

E. Franchisor Right of First Refusal.

1. If Franchisee or any of its direct or indirect owners at any time determines to sell or transfer for money or other consideration (which can be independently valued in dollars) the franchise rights granted by this Agreement and the Restaurant (or all or substantially all of its operating assets), a controlling ownership interest in Franchisee, or a controlling ownership interest in an entity with a controlling ownership interest in Franchisee (except to or among Franchisee's current owners or in a transfer under Section XVII.F, which are not subject to this Section XVII.E), Franchisee agrees to obtain from a responsible and fully-disclosed buyer, and send Franchisor, a true and complete copy of a bona fide, executed written offer. The offer must include details of the proposed sale or transfer's payment terms and the financing sources and terms of the proposed purchase price and provide for an earnest money deposit of at least five percent (5%) of the proposed purchase price. To be a valid, bona fide offer, the proposed purchase price must be a fixed-dollar amount, without any contingent payments of purchase price (such as earn-out payments), and the proposed transaction must relate exclusively to the rights granted by this Agreement and the Restaurant (or all or substantially all of its operating assets), a controlling ownership interest in Franchisee, or a controlling ownership interest in an entity with a controlling ownership interest in Franchisee. It may not relate to any other interests or assets. Franchisor may require Franchisee (or its owners) to send Franchisee copies of any materials or information Franchisee sends to the proposed buyer or transferee regarding the possible transaction.

2. Franchisor may, by written notice delivered to Franchisee within thirty (30) days after Franchisor receives both an exact copy of the offer and all other information it requests, elect to purchase the interest offered for the price and on the terms and conditions contained in the offer, provided that: (a) Franchisor may substitute cash for any form of consideration proposed in the offer; (b) Franchisor's credit will be deemed equal to the credit of any proposed buyer; (c) the closing of Franchisor's purchase will not (unless Franchisor agrees otherwise) be earlier than sixty (60) days after Franchisor notifies Franchisee of its election to purchase or, if later, the closing date proposed in the offer; (d) Franchisee and its owners must sign the general release described in Section XVII.B.2(b) above; and (e) Franchisor must receive, and Franchisee and its owners agree to make, all customary representations, warranties, and indemnities given by the seller of the assets of a business or of ownership interests in an entity, as applicable, including representations and warranties regarding ownership and condition of, and title to, assets and (if applicable) ownership interests; Franchisee's and its owners' authorization to sell, as applicable, any ownership interests or assets without violating any law, contract, or requirement of notice or consent; liens and encumbrances on ownership interests and assets; validity of contracts and liabilities, contingent or otherwise, relating to the assets or ownership interests being purchased; and indemnities for all actions, events, and conditions that existed or occurred in connection with the Restaurant before the closing of Franchisor's purchase. If the offer is to purchase all of Franchisee's ownership interests, Franchisor may elect instead to purchase all of the Restaurant's assets (and not any of Franchisee's ownership interests) on the condition that the amount Franchisor pays Franchisee for such assets equals the full value of the transaction as proposed in the offer (i.e., the value of all assets to be sold and of all liabilities to be assumed).

3. Once Franchisee or its owners submit the offer and related information to Franchisor triggering the start of the thirty (30)-day decision period referenced above, the offer is irrevocable for that thirty (30)-day period. This means Franchisor has the full thirty

(30) days to decide whether to exercise the right-of-first-refusal and may choose to do so even if Franchisee or its owners change their mind during that period and prefer after all not to sell the particular interest that is the subject of the offer. Franchisee and its owners may not withdraw or revoke the offer for any reason during the thirty (30) days, and Franchisor may exercise the right to purchase the particular interest in accordance with this Section's terms.

4. If Franchisor exercises its right-of-first-refusal and closes the transaction, Franchisee and its transferring owners agree that, for eighteen (18) months beginning on the closing date, they (and members of their immediate families) will be bound by the non-competition covenants contained in Section XX.B.

5. If Franchisor does not exercise its right-of-first-refusal, Franchisee or its owners may complete the sale to the proposed buyer on the original offer's terms, but only if Franchisor approves the transfer as provided in this Section XVII. If Franchisee or its owners do not complete the sale to the proposed buyer within sixty (60) days after Franchisor notifies Franchisee that Franchisor does not intend to exercise its right-of-first-refusal, or if there is a material change in the sale's terms (which Franchisee agrees to tell Franchisor promptly), Franchisor will have an additional right-of-first-refusal during the thirty (30) days following either expiration of the sixty (60) day period or Franchisor's receipt of notice of the material change(s) in the sale's terms, either on the terms originally offered or the modified terms, at Franchisor's option.

6. Franchisor has the unrestricted right to assign this right-of-first-refusal to a third party (including an affiliate), which then will have the rights described in this Section XVII.E. (All references in this Section to "Franchisor" include Franchisor's assignee if Franchisor has exercised its right to assign this right-of-first-refusal to a third party.)

7. References to a "controlling ownership interest" in Franchisee or one of its owners (if an entity) mean the percent of voting shares or other voting rights resulting from dividing one hundred percent (100%) of the ownership interests by the number of owners. In the case of a proposed transfer of an ownership interest in Franchisee or one of its owners, whether a "controlling ownership interest" is involved must be determined both immediately before and immediately after the proposed transfer to see if a "controlling ownership interest" will be transferred (because of the number of owners before the proposed transfer) or will be deemed to have been transferred (because of the number of owners after the proposed transfer).

F. Transfer Upon Death or Permanent Incapacity. Upon the death or permanent incapacity of any person with an interest in this license or in Franchisee, and upon the dissolution of a Franchisee that is a partnership or corporation, the executor, administrator, personal representative or trustee of such person or entity shall transfer his or its interest to a third party approved by Franchisor within a reasonable time not to exceed nine (9) months. Such transfers, including without limitation, transfers by devise or inheritance, shall be subject to the same conditions as any inter vivos transfer. If the heirs or beneficiaries of any such person are unable to meet the conditions in this Article XVII, the personal representative of the deceased franchisee shall have a reasonable time to dispose of the deceased's interest in the license, which disposition shall be subject to all terms and conditions for transfers contained in this Agreement.

G. Assumption of Restaurant's Management. In the event of:

(1) Franchisee's abandonment or failure actively to operate the Restaurant for any period;

(2) Franchisee's or its Operating Partner's death or substantial inability to manage operation of the Restaurant; or

(3) The termination or expiration of this Agreement while Franchisor is deciding whether to exercise its right to purchase the Restaurant's operating assets under Section XIX.F;

Franchisor or its designee has the right (but not the obligation) to enter the Restaurant's site and assume the Restaurant's management for any time period Franchisor deems appropriate. The manager will exercise control over the working conditions of the Restaurant's employees only to the extent such control is related to Franchisor's legitimate interest in protecting, and is necessary at that time to protect, the quality of Franchisor's products, services, or brand.

If Franchisor assumes the Restaurant's management, all revenue from the Restaurant's operation during Franchisor's management period will (except as provided below) be kept in a separate account, and all Restaurant expenses will be charged to that account. In addition to the fees and payments owed under this Agreement on account of the Restaurant's operation, Franchisor may charge Franchisee a reasonable management fee, not to exceed ten percent (10%) of the Restaurant's Gross Sales, plus any out-of-pocket expenses incurred in connection with the Restaurant's management. Franchisor or its designee will have a duty to use only reasonable efforts and, if Franchisor or its designee is not grossly negligent and does not commit an act of willful misconduct, will not be liable to Franchisee or its owners for any debts, losses, lost or reduced profits, or obligations the Restaurant incurs, or to any of Franchisee's creditors for any supplies, products, or other assets or services the Restaurant purchases, while Franchisor or its designee manages it. Franchisor may require Franchisee to sign Franchisor's then-current form of management agreement, which will govern the terms of Franchisor's management of the Restaurant.

If Franchisor or its designee assumes the Restaurant's management due to Franchisee's abandonment or failure actively to operate the Restaurant, or after termination or expiration of this Agreement while Franchisor is deciding whether to exercise its right to purchase the Restaurant's operating assets under Section XIX.F, Franchisor or its designee may retain all, and need not pay Franchisee or otherwise account to Franchisee for any, Gross Sales generated while Franchisor or its designee manages the Restaurant.

H. Transfer to Competitor Prohibited. Franchisee and its Owners will not assign, sell or transfer this Agreement or their ownership interests in Franchisee or the Restaurant to any person, corporation or other legal entity that owns, operates, franchises, develops, consults with, manages or controls any restaurant concept that is the same or similar to or competitive with Chicken Salad Chick restaurants.

XVIII. DEFAULT AND TERMINATION

A. Termination by Franchisor with no Opportunity to Cure. Franchisee shall be deemed to be in default and Franchisor may, at its option, terminate this Agreement and all rights granted hereunder, without affording Franchisee any opportunity to cure the default, effective

immediately upon delivery of notice to Franchisee, upon the occurrence of any of the following events:

(1) Franchisee (or any of its direct or indirect owners) has made or makes any material misrepresentation or omission in connection with its application for and acquisition of the franchise or its operation of the Restaurant, including, without limitation, by intentionally or through its gross negligence understating the Restaurant's Gross Sales for any period;

(2) Franchisee fails (a) to obtain Franchisor's written acceptance of a site, to secure an accepted site under a lease Franchisor accepts, or otherwise to meet any development obligation on or before the required deadline, or (b) to develop, open, and begin operating the Restaurant in compliance with this Agreement, including all brand standards (including with a fully-trained staff), on or before the opening deadline;

(3) Franchisee (a) abandons the Restaurant, meaning it has deserted, walked away from, or closed the Restaurant under circumstances leading Franchisor to conclude that Franchisee has no intent to return to the Restaurant, regardless of how many days have passed since the apparent abandonment, or (b) fails actively and continuously to operate the Restaurant for at least three (3) consecutive business days (except where closure is due to fire, riot, flood, terrorist acts, or natural disaster and Franchisee notifies Franchisor within three (3) days after the particular occurrence to obtain Franchisor's written approval to remain closed for an agreed-upon amount of time as is necessary under the circumstances before Franchisor will require Franchisee to re-open);

(4) Franchisee or any of its owners makes a purported transfer in violation of Section XVII;

(5) Franchisee (or any of its direct or indirect owners) is or has been convicted by a trial court of, or pleads or has pleaded guilty or no contest to, a felony;

(6) Franchisee (or any of its direct or indirect owners) engages in any dishonest, unethical, immoral, or similar conduct as a result of which Franchisee's (or the owner's) association with the Restaurant (or the owner's association with Franchisee) could, in Franchisor's reasonable opinion, have a material adverse effect on the goodwill associated with the Marks;

(7) a lender forecloses on its lien on a substantial and material portion of the Restaurant's assets;

(8) an entry of judgment against Franchisee involving aggregate liability of Twenty-Five Thousand Dollars ($25,000) or more in excess of its insurance coverage, and the judgment remains unpaid for ten (10) days or more following its entry;

(9) Franchisee (or any of its direct or indirect owners) misappropriates any Confidential Information or violates any provisions of this Agreement relating to holding interests in or performing services for a Competitive Business;

(10) Franchisee violates any material law relating to the Restaurant's development, operation, or marketing and does not (a) begin to correct the noncompliance or violation immediately after delivery of written notice (regardless of by whom sent to Franchisee) or (b) completely correct the noncompliance or violation within the time period prescribed by law, unless,

in the case of both (a) and (b), Franchisee is in good faith contesting its liability for the violation through appropriate proceedings or, in the case of (b) only, Franchisee provides reasonable evidence to Franchisor and the relevant authority of Franchisee's continued efforts to correct the violation within a reasonable time period;

(11) Franchisee underreports the Restaurant's Gross Sales by two percent (2%) or more on three (3) separate occasions within any twenty-four (24) consecutive-month period or by five percent (5%) or more during any reporting period;

(12) Franchisee disables the Restaurant's information/computer system or otherwise intentionally prevents Franchisor from debiting required payments;

(13) Franchisee fails to pay when due any federal or state income, service, sales, employment, or other taxes due on the Restaurant's operation, unless Franchisee is in good faith contesting its liability for such taxes through appropriate proceedings;

(14) Franchisee (or any of its direct or indirect owners) (a) fails on three (3) or more separate occasions within any twelve (12)-consecutive-month period to comply with this Agreement (including any brand standard), whether or not Franchisee corrects the failures after Franchisor's delivery of notice to Franchisee, or (b) fails on two (2) or more separate occasions within any six (6)-consecutive-month period to comply with the same obligation under this Agreement (including any brand standard), whether or not Franchisee corrects the failures after Franchisor's delivery of notice to Franchisee;

(15) Franchisee makes an assignment for the benefit of creditors or admits in writing its insolvency or inability to pay its debts generally as they become due; Franchisee consents to the appointment of a receiver, trustee, or liquidator of all or a substantial part of Franchisee's property; the Restaurant is attached, seized, or levied upon, unless the attachment, seizure, or levy is vacated within sixty (60) days; or any order appointing a receiver, trustee, or liquidator of Franchisee or the Restaurant is not vacated within sixty (60) days following its entry;

(16) Franchisee's or any of its owners' assets, property, or interests are blocked under any law relating to terrorist activities, or Franchisee or any of its owners otherwise violate any such law;

(17) Franchisee loses the right to occupy the Restaurant's premises due to its lease default (even if Franchisee has not yet vacated the Restaurant's premises);

(18) Franchisee loses the right to occupy the Restaurant's premises (but not due to Franchisee's lease default), or the Restaurant is damaged to such an extent that Franchisee cannot operate the Restaurant at its existing location over a thirty (30)-day period, and Franchisee fails both to relocate the Restaurant to a substitute site Franchisor accepts and to begin operating the Restaurant at that substitute site within one hundred eighty (180) days from the first date on which Franchisee could not operate the Restaurant at its existing location;

(19) Franchisee causes or contributes to a Data Security Incident or fails to comply with any requirements to protect Consumer Data; or

(20) Franchisor has sent a notice of termination under another franchise agreement for a Chicken Salad Chick restaurant between Franchisee (or any of its affiliates) and Franchisor,

regardless of the reason for such termination, or Franchisee (or any of its affiliates) has terminated another franchise agreement with Franchisor without cause.

B. Termination by Franchisor with Opportunity to Cure. Except as provided in Article XVII.A of this Agreement, Franchisee shall have ten (10) days in the event of monetary or insurance defaults, and thirty (30) days in the event of other defaults, after its receipt from Franchisor of a written notice of termination within which to remedy any default hereunder and provide evidence thereof to Franchisor. If any such default is not cured within that time, or such longer period as applicable law may require, this Agreement shall terminate without further notice to Franchisee effective immediately upon the expiration of the ten (10) or thirty (30) day period, as applicable, or such longer period as applicable law may require. Franchisee shall be in default hereunder for any failure substantially to comply with any of the requirements imposed by this Agreement, as it may from time to time reasonably be supplemented by the COM, or to carry out the terms of this Agreement in good faith. Such defaults shall include, for example, without limitation, the occurrence of any of the following events:

1. if Franchisee fails, refuses, or neglects promptly to pay any monies owing to Franchisor or its subsidiaries or affiliates when due or to submit the financial information required by Franchisor under this Agreement;

2. if Franchisee fails to maintain the standards that Franchisor requires in this Agreement and in the COM; or

3. if Franchisee fails to acquire required insurance coverage.

C. Burden of Proof. In any proceeding where Franchisee's default for failure to meet System standards is at issue, Franchisor's determination of Franchisee's non-compliance shall be presumed correct and Franchisee shall have the burden of proving that Franchisee was in compliance. Franchisee agrees that the quality status of another restaurant in the System shall not be relevant to whether Franchisor may terminate or otherwise deal with Franchisee for failure to meet System standards.

D. Termination Upon Expiration. Unless extended in accordance with this Agreement, this Agreement shall automatically terminate upon the expiration of its term.

E. Remedies Other Than Termination. If Franchisee commits an act, or if any other event occurs, which constitutes grounds for termination of this Agreement by Franchisor under any provision of this Agreement, Franchisor may instead elect to reduce Franchisee's Protected Area or terminate the Protected Area. Such actions will take effect immediately upon receipt by Franchisee of Franchisor's written notice. Franchisor's election of any of these remedies will not preclude it from invoking its right to terminate if the act or event constituting grounds for termination continues to exist.

F. Termination by Franchisee. Franchisee may terminate this Agreement if Franchisor materially breaches any of its obligations under this Agreement and fails to correct that breach within thirty (30) days after Franchisee delivers to Franchisor written notice of the breach; provided, however, if Franchisor cannot reasonably correct the breach within those thirty (30) days but gives Franchisee within the thirty (30) days evidence of its effort to correct the breach within a reasonable time period, then the cure period will run through the end of that reasonable time period. Franchisee's termination of this Agreement other than according to this

Section XVIII.F will be deemed a termination without cause and Franchisee's breach of this Agreement.

XIX. OBLIGATIONS UPON TERMINATION

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

A. Cease Operating the Restaurant. Franchisee shall immediately cease to operate the Restaurant licensed under this Agreement, and shall not thereafter, directly or indirectly, represent to the public or hold itself out as a present or former franchisee of Franchisor.

B. Cease Using Names and Marks. Franchisee shall immediately and permanently cease to use, by advertising or in any manner whatsoever, any equipment, format, improvements, methods, procedures and techniques associated with the System; the name "Chicken Salad Chick "; and any Marks and distinctive trade dress and devices associated with the System. In particular, Franchisee shall cease to use, without limitation, all signs, furniture, fixtures, equipment, advertising materials, stationery, forms and any other articles which display the Marks or trade dress associated with the System, provided, however, that this Article XIX shall not apply to the operation by Franchisee of any other franchise under the System which may be granted by Franchisor to Franchisee.

C. No Confusion with Marks. Franchisee agrees, in the event it continues to operate or subsequently begins to operate a restaurant or other business, not to use any reproduction, counterfeit, copy or colorable imitation of the Marks either in connection with such other business or the promotion thereof, which is likely to cause confusion, mistake or deception, or which is likely to dilute Franchisor's exclusive rights in and to the Marks and further agrees not to utilize any trade dress or designation of origin or description or representation which falsely suggests or represents an association or connection with Franchisor so as to constitute unfair competition. Franchisee shall make such modifications or alterations to the Premises (including, without limitation, the changing of the telephone number) within thirty (30) days of termination or expiration of this Agreement as may be necessary to prevent the operation of any business thereon by himself or others in derogation of this Article XIX and shall make such specific additional changes thereto as Franchisor may reasonably request for that purpose and to completely deidentify the Premises. In the event Franchisee fails or refuses to comply with the requirements of this Article XIX, Franchisor shall have the right to enter upon the Premises where Franchisee's restaurant business was conducted, without being guilty of trespass or any other tort, for the purpose of making or causing to be made such changes as may be required at the expense of Franchisee, which expense Franchisee agrees to pay upon demand.

D. Payment of Amounts Owed by Franchisee. Franchisee shall promptly pay all sums owing to Franchisor and its subsidiaries and affiliates. In the event of termination for any default of Franchisee, such sums shall include all damages, costs and expenses, including reasonable attorney's fees, incurred by Franchisor as a result of the default, which obligation shall give rise to and remain, until paid in full, a lien in favor of Franchisor against any and all of the personal property, machinery, fixtures and equipment owned by Franchisee and on the Premises at the time of default. Franchisee shall pay to Franchisor all damages, costs and expenses, including reasonable attorney's fees, incurred by Franchisor subsequent to the termination or expiration of the license herein granted in obtaining injunctive or other relief for the enforcement of any provisions of this Article XIX. If Franchisor terminates this Agreement in accordance with its terms, or if Franchisee terminates this Agreement without cause, before the scheduled expiration date

of the franchise term, Franchisee also will be liable to Franchisor for all of Franchisor's damages caused by Franchisee's breach of contract, including Franchisor's lost future royalties.

E. Return of COM and Other Materials. Franchisee shall immediately turn over to Franchisor all copies of the COM, records, files, instructions, correspondence, and any and all other materials relating to the operation of the licensed business in Franchisee's possession, and all copies thereof (all of which are acknowledged to be Franchisor's property), and shall retain no copy or record of any of the foregoing, excepting only Franchisee's copy of this Agreement and of any correspondence between the parties, and any other documents which Franchisee reasonably needs for compliance with any provision of law.

F. Franchisor's Right to Purchase. Upon such termination or expiration, Franchisor shall have the right, but not the obligation, to assume Franchisee's Premises lease pursuant to the Collateral Assignment of Lease and Franchisee's telephone numbers and listings pursuant to the Assignment of Telephone Numbers and Listings. In addition, Franchisor shall have the right, but not the obligation, to acquire Franchisee's interest in any or all of the assets of the Restaurant, exclusive of real estate, as Franchisor in its sole discretion may determine, including all signs, fixtures, equipment, leasehold improvements, real property, covenants and other contract rights, food products, ingredients, supplies, paper goods and any items bearing the Marks for a purchase price equal to the fair market value of the purchased assets. "Fair Market Value" shall mean the amount, as determined by good faith negotiations between Franchisor and Franchisee, which an arm's length purchaser would be willing to pay for the purchased assets. Under no circumstances will any value be attributed to any goodwill associated with any Mark. If Franchisee and Franchisor are unable to agree on Fair Market Value within thirty (30) days after Franchisor's notice of intent to purchase, then Fair Market Value will be determined in the following manner: Franchisor and Franchisee shall each select a member of a nationally recognized accounting firm who has experience in the valuation of businesses in the food service industry and the two (2) members will select a third member of a nationally recognized accounting firm who has experience in the valuation of businesses in the food service industry and the third member's valuation shall be binding on the parties. Franchisor's right to purchase shall be exercised by written notice to Franchisee not later than thirty (30) days after termination or expiration of this Agreement.

In the event Franchisor exercises its option to purchase the assets of Franchisee, the purchase price will be reduced by:

1. any amounts due from Franchisee to Franchisor;

2. any operating assets or other items not reasonably necessary (in function or quality) to the Restaurant's operation or that Franchisor has not approved as meeting System standards; and

3. any current and long-term liabilities of Franchisee assumed by Franchisor.

G. Covenants. Franchisee shall comply with the covenants contained in Article XX of this Agreement.

XX. COVENANTS

A. In-Term Covenants. During the term of this Agreement, neither Franchisee nor any of its Owners shall, either directly or indirectly (including without limitation, through his, her or their

Immediate Families), for himself, or through, on behalf of, or in conjunction with any person, persons, partnerships or corporation:

1. divert or attempt to divert any business or customer of the Restaurant to any competitor, by direct or indirect inducement or otherwise, or do or perform, directly or indirectly, any other act injurious or prejudicial to the goodwill associated with Franchisor's Marks and the System;

2. have any direct or indirect, controlling or non-controlling interest as an owner—whether of record, beneficial, or otherwise—in any (a) Competitive Business located anywhere, or (b) any entity located anywhere which grants franchises or licenses to operate any Competitive Business; or

3. perform services as a director, officer, manager, employee, consultant, representative, or agent for any (a) Competitive Business located anywhere, or (b) any entity located anywhere which grants franchises or licenses to operate any Competitive Business.

B. Post Term Covenants. Franchisee covenants that for a period of eighteen (18) months after the expiration or termination of this Agreement, regardless of the cause of termination, or after a transfer under Section XVII, neither Franchisee nor any of its Owners shall, directly or indirectly (including without limitation, through his, her, or their Immediate Families), have any controlling or non-controlling interest as an owner (whether of record, beneficial, or otherwise) in, or perform services as a director, officer, manager, employee, consultant, representative, or agent for, (1) any Competitive Business operating within a radius of five (5) miles from the Restaurant’s former premises, (2) any Competitive Business operating within a radius of five (5) miles of any Chicken Salad Chick restaurant in operation or under construction on the effective date of termination or expiration; or (3) any entity which grants franchises, licenses or other interests to others to operate any Competitive Business. It is understood and agreed that the purpose of this covenant is not to deprive Franchisee of a means of livelihood, and will not do so, but is rather to protect the goodwill and interests of Franchisor and its System.

The foregoing in-term and post-term restrictions shall be inapplicable to (1) the ownership of shares of a class of securities listed on a stock exchange or traded on the over-the-counter market that represent less than five percent (5%) of the number of shares of that class of securities issued and outstanding, and (2) the ownership and operation of any other Chicken Salad Chick restaurants under franchise agreements with Franchisor.

C. Franchisor’s Right to Reduce Scope of Covenant. Franchisee understands and acknowledges that Franchisor shall have the right, in its sole discretion, to reduce the scope of any covenant set forth in this Article XX in this Agreement, or any portion thereof, with Franchisee's consent, effective immediately upon receipt by Franchisee of written notice thereof, and Franchisee agrees that it shall comply forthwith with any covenant as so modified.

XXI. TAXES, PERMITS AND INDEBTEDNESS

A. Taxes. Franchisee shall promptly pay when due all taxes levied or assessed by any federal, state or local tax authority, and any and all indebtedness incurred by Franchisee in the conduct of the business licensed hereunder. In the event of any bona fide dispute as to liability for taxes assessed or other indebtedness, Franchisee may contest the validity or the amount of the tax or indebtedness in accordance with procedures of the taxing authority or applicable law;

however, in no event shall Franchisee permit a tax sale or seizure by levy of execution or similar writ or warrant, or attachment by a creditor, to occur against the premises of the licensed business, or any improvements thereon.

B. Compliance with Laws. Franchisee shall comply with all federal, state and local laws, rules and regulations, and shall timely obtain any and all permits, certificates or licenses necessary for the full and proper conduct of the business licensed under this Agreement, including without limitation, building and other required construction permits, licenses to do business and fictitious name registration, sales tax permits, health and sanitation permits and ratings and fire clearances. Copies of all subsequent inspection reports, warnings, certificates and ratings issued by any governmental entity during the term of this Agreement in connection with the conduct of the licensed business which indicate Franchisee's failure to meet or maintain the highest governmental standards (such as, without limitation, a score of ninety percent (90%) or better sanitation rating or its equivalent) or less than full compliance by Franchisee with any applicable law, rule or regulation shall be forwarded to Franchisor by Franchisee within five (5) days of Franchisee's receipt thereof.

C. Notice to Franchisor. Franchisee shall notify Franchisor in writing within seven (7) days of the commencement of any action, suit or proceeding, and of the issuance of any order, writ, injunction, award or decree of any court, agency or other governmental instrumentality, which may adversely affect the operation or financial condition of the licensed business.

XXII. INDEPENDENT CONTRACTOR AND INDEMNIFICATION

A. Independent Contractor. This Agreement does not create a fiduciary relationship between Franchisee and Franchisor (or any of its affiliates). Franchisee has no authority, express or implied, to act as an agent for Franchisor or its affiliates for any purpose. Franchisee is, and will remain, an independent contractor responsible for all obligations and liabilities of, and for all losses or damages to, the Restaurant and its assets, including any personal property, equipment, fixtures, or real property, and for all claims or demands based on damage to or destruction of property or based on injury, illness, or death of any person resulting directly or indirectly from the Restaurant’s operation.

Franchisor and Franchisee are entering this Agreement with the intent and expectation that they are and will be independent contractors. Further, Franchisor and Franchisee are not and do not intend to be partners, joint venturers, associates, or employees of the other in any way, and Franchisor (and its affiliates) will not be construed to be jointly liable for any of Franchisee’s acts or omissions under any circumstances. Franchisor (and its affiliates) are not the employer or joint employer of the Restaurant’s employees. Franchisee’s Operating Partner is solely responsible for managing and operating the Restaurant and supervising the Restaurant’s employees. Franchisee agrees to identify itself conspicuously in all dealings with customers, suppliers, public officials, Restaurant personnel, and others as the Restaurant’s owner, operator, and manager under a franchise that Franchisor has granted and to place notices of independent ownership at the Restaurant and on the forms, business cards, stationery, advertising, e-mails, and other materials Franchisor requires from time to time

Franchisor (and its affiliates) will not exercise direct or indirect control over the working conditions of Restaurant personnel, except to the extent such indirect control is related to its legitimate interest in protecting the quality of its products, services, or brand. Franchisor (and its affiliates) does not share or codetermine the employment terms and conditions of the Restaurant’s employees and does not affect matters relating to the employment relationship between

Franchisee and the Restaurant's employees, such as employee selection, promotion, termination, hours worked, rates of pay, other benefits, work assigned, discipline, adjustment of grievances and complaints, and working conditions. To that end, Franchisee must notify Restaurant personnel that Franchisee is their employer and that Franchisor, as the franchisor of Chicken Salad Chick Restaurants, and its affiliates are not their employer or joint employer and do not engage in any employer-type activities for which only franchisees are responsible, such as employee selection, promotion, termination, hours worked, rates of pay, other benefits, work assigned, discipline, adjustment of grievances and complaints, and working conditions. Franchisee also must obtain an acknowledgment (in the form Franchisor specifies or approves) from all Restaurant employees that Franchisee (and not Franchisor or its affiliates) is their employer.

B. Indemnification. To the fullest extent permitted by law, Franchisee must indemnify and hold harmless Franchisor, its affiliates, and their respective owners, directors, officers, employees, agents, successors, and assignees (the "Indemnified Parties") against, and reimburse any one or more of the Indemnified Parties for, all Losses (defined below) incurred as a result of:

(1) a claim threatened or asserted;

(2) an inquiry made formally or informally; or

(3) a legal action, investigation, or other proceeding brought

by a third party and directly or indirectly arising out of:

(i) the Restaurant's construction, design, or operation;

(ii) the business Franchisee conducts under this Agreement;

(iii) Franchisee's noncompliance or alleged noncompliance with any law, including any allegation that Franchisor or another Indemnified Party is a joint employer or otherwise responsible for Franchisee's acts or omissions relating to the Restaurant's employees;

(iv) a Data Security Incident; or

(v) Franchisee's breach of this Agreement.

Franchisee also agrees to defend the Indemnified Parties (unless an Indemnified Party chooses to defend at Franchisee's expense as provided in the following paragraph) against any and all such claims, inquiries, actions, investigations, and proceedings, including those alleging the Indemnified Party's negligence, gross negligence, willful misconduct, and willful wrongful omissions. However, Franchisee has no obligation to indemnify or hold harmless an Indemnified Party for any Losses to the extent they are determined in a final, unappealable ruling issued by a court or arbitrator with competent jurisdiction to have been caused solely and directly by the Indemnified Party's negligence, willful misconduct, or willful wrongful omissions, so long as the claim to which those Losses relate is not asserted on the basis of theories of vicarious liability (including agency, apparent agency, or joint employment) or Franchisor's failure to compel Franchisee to comply with this Agreement.

For purposes of this indemnification and hold harmless obligation, “Losses” includes all obligations, liabilities, damages (actual, consequential, or otherwise), and reasonable defense costs that any Indemnified Party incurs. Defense costs include, without limitation, 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, arbitration, or alternative dispute resolution, whether or not litigation, arbitration, or alternative dispute resolution actually is commenced. Each Indemnified Party, with its own counsel and at Franchisee’s expense, may defend and otherwise respond to and address any claim threatened or asserted or inquiry made, or any action, investigation, or proceeding brought (instead of having Franchisee defend it with its counsel, as provided in the preceding paragraph), and, in cooperation with Franchisee, agree to settlements or take any other remedial, corrective, or other actions, for all of which defense and response costs and other Losses Franchisee is solely responsible (except as provided in the last sentence of the preceding paragraph).

For the avoidance of all doubt, nothing in this Section XXII.B is intended to obligate any Indemnified Party to await the conclusion or resolution of a claim, inquiry, action, investigation, or proceeding before seeking to recover its aggregate Losses from Franchisee on account of the claim, inquiry, action, investigation, or proceeding. An Indemnified Party may seek to recover from Franchisee the Losses for which it is entitled to indemnification under this Section as often as it wishes on an as-incurred basis.

Franchisee’s obligations under this Section will continue in full force and effect after and notwithstanding this Agreement’s expiration or termination. An Indemnified Party need not seek recovery from any insurer or other third party, or otherwise mitigate its Losses, in order to maintain and recover fully a claim against Franchisee under this Section. A failure to pursue a recovery or mitigate a Loss will not reduce or alter the amounts that an Indemnified Party may recover from Franchisee under this Section.

XXIII. APPROVALS AND WAIVERS

Franchisor and Franchisee may in writing unilaterally waive or reduce any contractual obligation or restriction upon the other, effective upon delivery of written notice to the other or another effective date stated in the waiver notice. However, no interpretation, change, termination, or waiver of any provision of this Agreement will bind Franchisor unless in writing, signed by one of its officers, and specifically identified as an amendment to this Agreement. No modification, waiver, termination, discharge, or cancellation of this Agreement affects the right of any party to this Agreement to enforce any claim or right under this Agreement, whether or not liquidated, which occurred before the date of such modification, waiver, termination, discharge, or cancellation. Any waiver granted is without prejudice to any other rights Franchisor or Franchisee has, is subject to continuing review, and may be revoked at any time and for any reason effective upon delivery of ten (10) days’ prior written notice.

Franchisor and Franchisee will not waive or impair any right, power, or option this Agreement reserves (including Franchisor’s right to demand Franchisee’s strict compliance with every term, condition, and covenant or to declare any breach to be a default and to terminate this Agreement before its term expires) because of any custom or practice varying from this Agreement’s terms; Franchisor’s or Franchisee’s failure, refusal, or neglect to exercise any right under this Agreement or to insist upon the other’s compliance with this Agreement, including Franchisee’s compliance with any standard, specification, or operating procedure; Franchisor’s waiver of or failure to exercise any right, power, or option, whether of the same, similar, or different nature, with other Chicken Salad Chick Restaurants; the existence of franchise agreements for

other Chicken Salad Chick Restaurants containing provisions differing from those contained in this Agreement; or Franchisor's acceptance of any payments from Franchisee after any breach of this Agreement. No special or restrictive legend or endorsement on any payment or similar item given to Franchisor will be a waiver, compromise, settlement, or accord and satisfaction. Franchisor may remove any legend or endorsement, which will have no effect.

Neither Franchisor nor Franchisee will be liable for loss or damage or be in breach of this Agreement if its failure to perform obligations results from: (i) acts of God; (ii) fires, strikes, embargoes, war, terrorist acts or similar events, or riot; (iii) compliance with the orders, requests, or regulations of any federal, state, or municipal government; or (iv) any other similar event or cause. Any delay resulting from these causes will extend performance accordingly or excuse performance, in whole or in part, as may be reasonable. However, these causes will not excuse payment of amounts owed at the time of the occurrence or payment of Continuing Royalty Fees, Brand Fund contributions, and other amounts due afterward. Under no circumstances do any financing delays, difficulties, or shortages excuse Franchisee's failure to perform or delay in performing its obligations under this Agreement.

XXIV. NOTICES

All acceptances, approvals, requests, notices, and reports required or permitted under this Agreement will not be effective unless in writing and delivered to the party entitled to receive them in accordance with this Section XXIV. All such acceptances, approvals, requests, notices, and reports will be deemed delivered at the time delivered by hand; or one (1) business day after deposit with a nationally-recognized commercial courier service for next business day delivery; or three (3) business days after placement in the United States Mail by Registered or Certified Mail, Return Receipt Requested, postage prepaid; and must be addressed to the party to be notified at its most current principal business address of which the notifying party has been notified and/or, with respect to any approvals and notices Franchisor sends Franchisee or its owners, at the Restaurant's address. Payments and certain information and reports Franchisee must send Franchisor under this Agreement will be deemed delivered on any of the applicable dates described above or, if earlier, when Franchisor actually receives them electronically (all payments, information, and reports must be received on or before their due dates in the form and manner specified in this Agreement). As of the Effective Date, notices should be addressed to the following addresses unless and until a different address has been designated by written notice to the other party:

Notices to Franchisor:

Simply Southern Restaurant Group, LLC
2839 Paces Ferry Road SE, Ste. 500
Atlanta, Georgia 30339

Notices to Franchisee:

_____
_____
_____

XXV. ENTIRE AGREEMENT

The preambles and exhibits are part of this Agreement, which, together with any riders or addenda signed at the same time as this Agreement and together with the COM and Franchisor's standards, specifications, and operating procedures issued and modified from time to time, constitutes Franchisor's and Franchisee's entire agreement and supersedes all prior and contemporaneous oral or written agreements and understandings between Franchisor and Franchisee relating to this Agreement's subject matter. There are no other oral or written representations, warranties, understandings, or agreements between Franchisor and Franchisee relating to this Agreement's subject matter. Notwithstanding the foregoing, nothing in this Agreement disclaims or requires Franchisee to waive reliance on any representation Franchisor made in the Disclosure Document (including its exhibits and amendments) Franchisor delivered to Franchisee or its representative. Any policies Franchisor adopts and implements from time to time to guide its decision-making are subject to change, are not a part of this Agreement, and do not bind Franchisor.

XXVI. SEVERABILITY AND CONSTRUCTION

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

B. Anything to the contrary notwithstanding, and except as provided in Section XXVIII, nothing in this Agreement is intended, nor shall be deemed, to confer upon any person or legal entity other than Franchisor or Franchisee and such of their respective successors and assigns as may be contemplated by Article XVII hereof, any rights or remedies under or by reason of this Agreement.

C. Franchisee expressly agrees to be bound by any promise or covenant imposing the maximum duty permitted by law which is subsumed within the terms of any provision hereof, as though it were separately articulated in and made a part of this Agreement, that may result from striking from any of the provisions hereof any portion or portions which a court may hold to be unreasonable and unenforceable in a final decision to which Franchisor is a party, or from reducing the scope of any promise or covenant to the extent required to comply with such a court order.

D. All captions in the Agreement are intended solely for the convenience of the parties, and none shall be deemed to affect the meaning or construction of any provision hereof.

E. All references herein to the masculine, neuter or singular shall be construed to include the masculine, feminine, neuter or plural, where applicable, and all acknowledgements, promises, covenants, agreements and obligations herein made or undertaken by Franchisee shall be deemed jointly and severally undertaken by all the parties hereto on behalf of Franchisee.

F. This Agreement will become valid and enforceable only upon its full execution by Franchisor and Franchisee, although they need not be signatories to the same original, facsimile,

or electronically-transmitted counterpart of this Agreement. A faxed copy of an originally-signed signature page, a scanned copy of an originally-signed signature page that is sent as a .pdf by email, or a signature page bearing an electronically/digitally captured signature and transmitted electronically will be deemed an original.

G. Disclaimer of Interpretation Against Drafter. The terms and provisions of this Agreement shall not be construed against or in favor of a party hereto merely because such party is the Franchisor hereunder or such party or its counsel drafted this Agreement.

H. No Implied Covenant. Franchisor and Franchisee have negotiated the terms of this Agreement and both parties agree that neither party shall claim the existence of an implied covenant of good faith or fair dealing in contravention of, or as a limitation of any term of this Agreement.

XXVII. APPLICABLE LAW / CONSENT TO JURISDICTION

A. Except to the extent governed by the Federal Arbitration Act, the United States Trademark Act of 1946 (Lanham Act, 15 U.S.C. Sections 1051 *et seq.*), or other federal law, all controversies, disputes, or claims arising from or relating to: (1) this Agreement or any other agreement between Franchisee (or its owners) and Franchisor (or its affiliates) relating to the Restaurant; (2) Franchisor's relationship with Franchisee; (3) the validity of this Agreement or any other agreement between Franchisee (or its owners) and Franchisor (or its affiliate) relating to the Restaurant; or (4) any standard, specification, or operating procedure; will be governed by the laws of the State of Georgia, without regard to its conflict of laws rules. However, the provisions of any Georgia legislation regulating the offer or sale of franchises, business opportunities, or similar interests, or governing the relationship between a franchisor and a franchisee or any similar relationship, will not apply to the matters in clauses (1) through (4) above under any circumstances unless their jurisdictional requirements and definitional elements are met independently without reference to this Section and no exemption to their application exists. In addition, enforceability of the non-competition obligations in Section XX will be governed by the law of the state in which Franchisee's Restaurant is located.

B. Subject to the arbitration obligations in Section XXVIII, Franchisee and its owners agree that all judicial actions brought by Franchisor against Franchisee or its owners, or by Franchisee or its owners against Franchisor, its affiliates, or their respective owners, officers, directors, agents, or employees, relating to this Agreement or the Restaurant must be brought exclusively in the state or federal court of general jurisdiction located closest to where Franchisor has its (or, in the case of a transfer by Franchisor, the then-current franchisor has its) principal business address when the action is commenced. Franchisee and each of its owners irrevocably submit to the jurisdiction of such courts and waive any objection they might have to either jurisdiction or venue. Despite the foregoing, Franchisor may bring an action seeking a temporary restraining order or temporary or preliminary injunctive relief, or to enforce an arbitration award, in any federal or state court in the state in which Franchisee resides or the Restaurant is located.

C. No right or remedy conferred upon or reserved to Franchisor or Franchisee by this Agreement is intended to be, nor shall be deemed, exclusive of any other right or remedy herein or by law or equity provided or permitted, but each shall be cumulative of every other right or remedy.

D. Nothing herein contained shall bar Franchisor's right to obtain injunctive relief against threatened conduct that will cause it loss or damages, under the usual equity rules, including the applicable rules of obtaining restraining orders and preliminary injunctions.

XXVIII. ARBITRATION

All controversies, disputes, or claims between Franchisor (and its affiliates and their respective owners, officers, directors, agents, and employees, as applicable) and Franchisee (and its affiliates and their respective owners, officers, and directors, as applicable) arising out of or related to:

(1) this Agreement or any other agreement between Franchisee (or its owner) and Franchisor (or its affiliate) relating to the Restaurant or any provision of any such agreements;

(2) Franchisor's relationship with Franchisee;

(3) the validity of this Agreement or any other agreement between Franchisee (or its owner) and Franchisor (or its affiliate) relating to the Restaurant, or any provision of any such agreements, and the validity and scope of the arbitration obligation under this Section; or

(4) any System standard,

must be submitted for arbitration to the American Arbitration Association. Except as otherwise provided in this Agreement, such arbitration proceedings will be heard by one (1) arbitrator in accordance with the then-existing Commercial Arbitration Rules of the American Arbitration Association. All proceedings, including the hearing, will be conducted at a suitable location that is within ten (10) miles of where Franchisor has (or, in the case of a transfer by Franchisor, the then-current franchisor has) its principal business address when the arbitration demand is filed. The arbitrator will have no authority to select a different hearing locale other than as described in the prior sentence. All matters within the scope of the Federal Arbitration Act (9 U.S.C. Sections 1 *et seq.*) will be governed by it and not by any state arbitration law.

The arbitrator has the right to award any relief he or she deems proper in the circumstances, including money damages (with interest on unpaid amounts from the date due), specific performance, injunctive relief, and attorneys' fees and costs (in accordance with Section XXIX.C below), provided that: (i) the arbitrator has no authority to declare any Mark generic or otherwise invalid; and (ii) subject to the exceptions in Section XXIX.A, Franchisor and Franchisee waive to the fullest extent the law permits any right to or claim for any punitive, exemplary, treble, and other forms of multiple damages against the other. The arbitrator's award and decision will be conclusive and bind all parties covered by this Section, and judgment upon the award may be entered in a court specified or permitted in Section XXVII.B above.

Franchisor and Franchisee will be bound by any limitation under this Agreement or applicable law, whichever expires first, on the timeframe in which claims must be brought. Franchisor and Franchisee further agree that, in connection with any arbitration proceeding, each must submit or file any claim constituting a compulsory counterclaim (as defined by the then-current Rule 13 of the Federal Rules of Civil Procedure) within the same proceeding as the claim to which it relates. Any such claim not submitted or filed in the proceeding will be barred. The arbitrator may not consider any settlement discussions or offers either Franchisee or Franchisor

made. Franchisor reserves the right, but has no obligation, to advance Franchisee's share of the costs of any arbitration proceeding in order for the arbitration proceeding to take place and by doing so does not waive or relinquish its right to seek recovery of those costs in accordance with Section XXIX.C below.

Franchisor and Franchisee agree that arbitration will be conducted on an individual basis and not in a class, consolidated, or representative action, that only Franchisor (and its affiliates and their respective owners, officers, directors, agents, and employees, as applicable) and Franchisee (and its affiliates and their respective owners, officers, and directors, as applicable) may be the parties to any arbitration proceeding described in this Section, and that no such arbitration proceeding may be consolidated or joined with another arbitration proceeding involving Franchisor and/or any other person. Despite the foregoing or anything to the contrary in this Section, if any court or arbitrator determines that all or any part of the preceding sentence is unenforceable with respect to a dispute that otherwise would be subject to arbitration under this Section, then Franchisor and Franchisee agree that this arbitration clause will not apply to that dispute, and such dispute will be resolved in a judicial proceeding in accordance with the other dispute resolution provisions in this Agreement.

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

Despite Franchisee's and Franchisor's agreement to arbitrate, each has the right to seek temporary restraining orders and temporary or preliminary injunctive relief from a court of competent jurisdiction, provided, however, each must contemporaneously submit its dispute for arbitration on the merits as provided in this Section.

XXIX. LIMITATIONS ON ACTIONS

A. Waiver of Punitive and Exemplary Damages. EXCEPT FOR FRANCHISEE'S INDEMNIFICATION OBLIGATIONS AND CLAIMS BASED ON FRANCHISEE'S UNAUTHORIZED USE OF THE MARKS OR UNAUTHORIZED USE OR DISCLOSURE OF ANY CONFIDENTIAL INFORMATION, FRANCHISOR AND FRANCHISEE (AND ITS OWNERS) WAIVE TO THE FULLEST EXTENT THE LAW PERMITS ANY RIGHT TO OR CLAIM FOR ANY PUNITIVE, EXEMPLARY, TREBLE, AND OTHER FORMS OF MULTIPLE DAMAGES AGAINST THE OTHER AND AGREE THAT, IF THERE IS A DISPUTE BETWEEN THEM (AND/OR FRANCHISEE'S OWNERS), THE PARTY MAKING A CLAIM WILL BE LIMITED TO EQUITABLE RELIEF AND TO RECOVERY OF ANY ACTUAL DAMAGES HE, SHE, OR IT SUSTAINS.

B. Waiver of Class Action Proceedings. Franchisee and its owners agree that for Franchisor's system to function properly, Franchisor must not be burdened with the cost of litigation of system-wide disputes. Accordingly, any disagreement between Franchisor and Franchisee shall be considered unique as to its facts and, while subject in all cases to the parties' arbitration obligations, shall never be brought as a class or representative action. Franchisee waives any rights to proceed against Franchisor by way of class or representative action.

C. Costs and Attorneys' Fees. If Franchisor incurs costs and expenses (internal or external) to enforce its rights or Franchisee's obligations under this Agreement because Franchisee has failed to pay when due amounts owed to Franchisor, to submit when due any reports, information, or supporting records, or otherwise to comply with this Agreement, Franchisee agrees to reimburse all costs and expenses Franchisor incurs, including, without

limitation, reasonable accounting, attorneys', arbitrators', and related fees. Franchisee's obligation to reimburse Franchisor arises whether or not Franchisor begins a formal legal proceeding against Franchisee to enforce this Agreement. If Franchisor does begin a formal legal proceeding against Franchisee, the reimbursement obligation applies to all costs and expenses Franchisor incurs preparing for, commencing, and prosecuting the legal proceeding and until the proceeding has completely ended (including appeals and settlements).

D. Franchisee May Not Withhold Payments. Franchisee may not withhold payment of any amounts owed to Franchisor or its affiliates due to Franchisor's alleged nonperformance of its obligations under this Agreement or for any other reason. Franchisee specifically waives any right it has at law or in equity to offset any monies Franchisee owes Franchisor or its affiliates or to fail or refuse to perform any of its obligations under this Agreement.

E. Waiver of Jury Trial. SUBJECT TO THE ARBITRATION OBLIGATIONS IN SECTION XXVIII, FRANCHISOR AND FRANCHISEE (AND ITS OWNERS) IRREVOCABLY WAIVE TRIAL BY JURY IN ANY ACTION, PROCEEDING, OR COUNTERCLAIM, WHETHER AT LAW OR IN EQUITY, BROUGHT BY EITHER FRANCHISOR OR FRANCHISEE (OR ITS OWNERS). FRANCHISOR AND FRANCHISEE (AND ITS OWNERS) ACKNOWLEDGE THAT THEY MAKE THIS WAIVER KNOWINGLY, VOLUNTARILY, WITHOUT DURESS, AND ONLY AFTER CONSIDERING THIS WAIVER'S RAMIFICATIONS.

F. Binding Effect. This Agreement is binding upon Franchisor and Franchisee and their respective executors, administrators, heirs, beneficiaries, permitted assigns, and successors-in-interest. Subject to Franchisor's right to modify the COM and System standards, this Agreement may not be modified except by a written agreement signed by both Franchisor and Franchisee that is specifically identified as an amendment to this Agreement.

G. Limitations of Claims. EXCEPT FOR:

(1) CLAIMS ARISING FROM FRANCHISEE'S NON-PAYMENT OR UNDERPAYMENT OF AMOUNTS FRANCHISEE OWES FRANCHISOR FOR ROYALTY FEES, BRAND FUND CONTRIBUTIONS, AND ANY OTHER AMOUNTS THAT WOULD ACCRUE FOR AN OPERATING RESTAURANT UNDER THIS AGREEMENT; AND

(2) FRANCHISOR'S (AND CERTAIN OF ITS RELATED PARTIES') RIGHT TO SEEK INDEMNIFICATION FROM FRANCHISEE FOR THIRD-PARTY CLAIMS AS PROVIDED IN THIS AGREEMENT,

ALL CLAIMS ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE RELATIONSHIP BETWEEN FRANCHISOR AND FRANCHISEE WILL BE BARRED UNLESS AN ARBITRATION OR JUDICIAL PROCEEDING, AS PERMITTED, IS COMMENCED IN THE APPROPRIATE FORUM WITHIN TWO (2) YEARS FROM THE DATE ON WHICH THE VIOLATION, ACT, OR CONDUCT GIVING RISE TO THE CLAIM OCCURS, REGARDLESS OF WHEN THE PARTY ASSERTING THE CLAIM KNEW OR SHOULD HAVE KNOWN OF THE FACTS GIVING RISE TO THE CLAIM.

H. The Exercise of Franchisor's Business Judgment. Because complete and detailed uniformity under many varying conditions might not be possible or practical, Franchisee acknowledges that Franchisor specifically reserves the right and privilege, as it deems best according to its business judgment, to vary System standards or other aspects of the System for

any franchisee. Franchisee has no right to require Franchisor to grant it a similar variation or accommodation.

Franchisor has the right to develop, operate, and change the System in any manner this Agreement does not specifically prohibit. Whenever this Agreement reserves Franchisor's right to take or withhold an action, or to grant or decline to grant Franchisee the right to take or omit an action, Franchisor may, except as this Agreement specifically provides, make its decision or exercise its rights based on information then available to Franchisor and Franchisor's judgment of what is best for Franchisor, Chicken Salad Chick restaurant franchisees generally, or the System when Franchisor makes its decision, whether or not Franchisor could have made other reasonable or even arguably preferable alternative decisions and whether or not Franchisor's decision promotes its financial or other individual interest.

XXX. NO WAIVER OR DISCLAIMER OF RELIANCE IN CERTAIN STATES.

The following provision applies only to franchisees and franchises that are subject to the state franchise registration/disclosure laws in California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington, or Wisconsin:

> No statement, questionnaire, or acknowledgement signed or agreed to by 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 Franchisor, any franchise seller, or any other person acting on Franchisor's behalf. This provision supersedes any other term of any document executed in connection with the franchise.

[Signatures appear on following page.]

IN WITNESS WHEREOF, the parties hereto have duly executed, sealed and delivered this Agreement on the day and year next to their signatures, to be effective as of the Effective Date.

FRANCHISOR:

SIMPLY SOUTHERN RESTAURANT
GROUP, LLC

By: _____
Its _____
Date _____**

**Effective Date of this Agreement

FRANCHISEE

_____

_____

Date _____

GUARANTY AND ASSUMPTION OF OBLIGATIONS

THIS GUARANTY AND ASSUMPTION OF OBLIGATIONS is given this _____ day of _____ 20___, by _____
_____
_____
_____.

In consideration of, and as an inducement to, the execution of that certain Franchise Agreement (the "**Agreement**") on this date by Simply Southern Restaurant Group, LLC ("Franchisor") each of the undersigned personally and unconditionally (a) guarantees to Franchisor and its successors and assigns, for the term of the Agreement (including, without limitation, any extensions of its term) and afterward as provided in the Agreement, that _____ ("**Franchisee**") will punctually pay and perform each and every undertaking, agreement, and covenant set forth in the Agreement (including, without limitation, any amendments or modifications of the Agreement) and (b) agrees to be personally bound by, and personally liable for the breach of, each and every provision in the Agreement (including, without limitation, any amendments or modifications of the Agreement), including (i) monetary obligations (including indemnification), (ii) obligations to take or refrain from taking specific actions and to engage or refrain from engaging in specific activities, including, but not limited to, the non-competition, confidentiality, and transfer requirements, and (iii) the enforcement and other dispute resolution provisions in the Agreement, including the arbitration provision.

Each of the undersigned consents and agrees that: (1) his or her direct and immediate liability under this Guaranty will be joint and several, both with Franchisee and among other guarantors; (2) he or she will render any payment or performance required under the Agreement upon demand if Franchisee fails or refuses punctually to do so; (3) this liability will not be contingent or conditioned upon Franchisor's pursuit of any remedies against Franchisee or another person; (4) this liability will not be diminished, relieved, or otherwise affected by any extension of time, credit, or other indulgence Franchisor may from time to time grant to Franchisee or to another person, including, without limitation, the acceptance of any partial payment or performance or the compromise or release of any claims (including, without limitation, any release of other guarantors), none of which will in any way modify or amend this Guaranty, which will continue and be irrevocable during the term of the Agreement (including, without limitation, any extensions of its term) and afterward for so long as any performance is or might be owed under the Agreement by Franchisee or any of its owners and for so long as Franchisor has any cause of action against Franchisee or any of its owners; (5) this Guaranty will continue in full force and effect for (and as to) any extension or modification of the Agreement and despite the transfer of any interest in the Agreement or Franchisee, and each of the undersigned waives notice of any and all renewals, extensions, modifications, amendments, or transfers; and (6) any Franchisee indebtedness to the undersigned, for whatever reason, whether currently existing or hereafter arising, will at all times be inferior and subordinate to any indebtedness owed by Franchisee to Franchisor or its affiliates.

Each of the undersigned waives: (i) all rights to payments and claims for reimbursement or subrogation which the undersigned may have against Franchisee arising as a result of the undersigned's execution of and performance under this Guaranty, for the express purpose that none of the undersigned will be deemed a "creditor" of Franchisee under any applicable bankruptcy law with respect to Franchisee's obligations to Franchisor; (ii) acceptance and notice of acceptance by Franchisor of his or her 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 and legal or equitable defenses to which he or she may be entitled; and (iii) all rights to assert or plead any statute of limitations or other limitations period as to or relating to this Guaranty. The undersigned expressly acknowledges that the obligations under this Guaranty survive expiration or termination of the Agreement.

If Franchisor seeks to enforce this Guaranty in an arbitration, judicial, or other proceeding and prevails in that proceeding, Franchisor is entitled to recover its reasonable costs and expenses (including, but not limited to, attorneys' fees, arbitrators' fees, expert witness fees, costs of investigation and proof of facts, court costs, other arbitration or litigation expenses, and travel and living expenses) incurred in connection with the proceeding. If Franchisor is required to engage legal counsel in connection with the undersigned's failure to comply with this Guaranty, the undersigned must reimburse Franchisor for any of the above-listed costs and expenses Franchisor incurs, even if Franchisor does not commence a judicial or arbitration proceeding.

Subject to the arbitration obligations set forth in the Agreement and the provisions below, each of the undersigned agrees that all actions arising under this Guaranty or the Agreement, or otherwise as a result of the relationship between Franchisor and the undersigned, must be brought exclusively in the state or federal court of general jurisdiction in the state, and in (or closest to) the city, where Franchisor has its principal business address when the action is commenced, and each of the undersigned irrevocably submits to the jurisdiction of those courts and waives any objection he or she might have to either the jurisdiction of or venue in those courts. Nonetheless, each of the undersigned agrees that Franchisor may enforce this Guaranty and any arbitration orders and awards in the courts of the state or states in which he or she is domiciled. FRANCHISOR AND THE UNDERSIGNED IRREVOCABLY WAIVE TRIAL BY JURY IN ANY ACTION, PROCEEDING, OR COUNTERCLAIM, WHETHER AT LAW OR IN EQUITY, BROUGHT BY ANY OF THEM. EACH ACKNOWLEDGES THAT THEY MAKE THIS WAIVER KNOWINGLY, VOLUNTARILY, WITHOUT DURESS, AND ONLY AFTER CONSIDERATION OF THIS WAIVER'S RAMIFICATIONS.

IN WITNESS WHEREOF, each of the undersigned has affixed his or her signature on the same day and year as the Agreement was executed.

GUARANTOR(S)	**PERCENTAGE OF OWNERSHIP IN FRANCHISEE**
_____	_____%
_____	_____%
_____	_____%
_____	_____%
_____	_____%

FRANCHISEE'S ORGANIZATION

EXHIBIT A

TO THE FRANCHISE AGREEMENT BETWEEN
SIMPLY SOUTHERN RESTAURANT GROUP, LLC AND
_____
DATED: _____, 20__

1. **Operating Partner**. The name and home address of the Operating Partners are as follows: _____
_____
_____
_____.

2. **Form of Entity of Franchisee**.

(a) Corporation or Limited Liability Company. Franchisee was incorporated or formed on _____, 20__, under the laws of the State of _____. It has not conducted business under any name other than its company name. The following is a list of all of Franchisee's directors and officers or members as of _____, 20__.

Name of Each Director/Officer/Member	Position(s) Held
_____	_____
_____	_____
_____	_____
_____	_____

(b) Partnership. Franchisee is a [general] [limited] partnership formed on _____, 20__ under the laws of the State of _____.It has not conducted business under any name other than its partnership name. The following is a list of all of Franchisee's general partners as of _____, 20__.

Name of General Partner

_____
_____
_____
_____

3. **Owners**. Franchisee and each of its Owners represents and warrants that the following is a complete and accurate list of all Owners of Franchisee, including the full name, mailing address and social security number of each Owner, and fully describes the nature and extent of each Owner's interest in Franchisee. Franchisee, and each Owner as to his ownership interest, represents and warrants that each Owner is the sole and exclusive legal beneficial owner of his ownership interest in Franchisee, free and clear of all liens, restrictions, agreements and encumbrances of any kind or nature, other than those required or permitted by this agreement.

Owner's Name and Address	Description of Interest
_____	_____
	_____
_____	_____
_____	_____
_____	_____

Submitted by Franchisee on
_____, 20__.

_____
(Name of corporation, limited liability company or partnership)

By: _____
Print Name:_____
Title: _____

Accepted by Franchisor and made a part of the Franchise Agreement as of the Effective Date.

SIMPLY SOUTHERN RESTAURANT GROUP, LLC
an Alabama limited liability company

By: _____
Print Name:_____
Title: _____
Date:_____

EXHIBIT A-1

RESTAURANT LOCATION AND PROTECTED AREA

A. The location of the Restaurant is:

_____
_____
_____

B. Franchisee's Protected Area is:

_____
_____

Unless Franchisor specifies otherwise above, the Protected Area will be equal to a one-mile radius from the Restaurant's front entrance.

C. The area in which Franchisee must look for the Restaurant's Premises is described as follows:

_____
_____

This area has no relation to and will not determine the size or description of the Protected Area.

FRANCHISOR:

SIMPLY SOUTHERN RESTAURANT
GROUP, LLC

By: _____
Its _____
Date _____

FRANCHISEE

_____
(Name of corporation, limited liability company or partnership)

By: _____
Print Name:_____
Title: _____

EXHIBIT B

SIMPLY SOUTHERN RESTAURANT GROUP, LLC

Current Bank Authorization Form

The undersigned hereby authorizes Simply Southern Restaurant Group, LLC, hereinafter called the Company, (Company's Federal I.D. #80-0856479) to initiate debit entries to my _____ Checking _____ Savings account indicated below at the depository named below, hereinafter called DEPOSITORY and authorize DEPOSITORY to debit the same to such account for amounts due the Company pursuant to Article IV of the Franchise Agreement.

DEPOSITORY (BANK) NAME: _____ BRANCH: _____

ADDRESS: _____

CITY: _____ STATE: _____ ZIP: _____

Bank/ABA#_____ ACCOUNT#: _____

This is to remain in full force and effect for the entire term of the Franchise Agreement, including renewals, unless upon ten (10) days written notice this authorization is subsequently replaced by maker.

NAME: _____ FEDERAL IDENTIFICATION: _____
(Please type or print)

SIGNED: _____ DATE: _____

NAME OF FRANCHISEE'S ENTITY:_____

LOCATION OF RESTAURANT:_____

EXHIBIT B-1

CSC AD FUNDS, LLC

Current Bank Authorization Form

The undersigned hereby authorizes CSC Ad Funds, LLC (Federal I.D. #30-1037744) to initiate debit entries to my _____ Checking _____ Savings account indicated below at the depository named below, hereinafter called DEPOSITORY and authorize DEPOSITORY to debit the same to such account for amounts due the Company pursuant to Article IV of the Franchise Agreement.

DEPOSITORY (BANK) NAME: _____ BRANCH: _____

ADDRESS: _____

CITY: _____ STATE: _____ ZIP: _____

Bank/ABA#_____ ACCOUNT#: _____

This is to remain in full force and effect for the entire term of the Franchise Agreement, including renewals, unless upon ten (10) days written notice this authorization is subsequently replaced by maker.

NAME: _____ FEDERAL IDENTIFICATION: _____
(Please type or print)

SIGNED: _____ DATE: _____

NAME OF FRANCHISEE'S ENTITY:_____

LOCATION OF RESTAURANT:_____

EXHIBIT C

ASSIGNMENT OF TELEPHONE NUMBERS AND LISTINGS

This Assignment is entered into this _____ day of _____, 20__ in accordance with the terms of that certain Simply Southern Restaurant Group, LLC, Franchise Agreement (the "Franchise Agreement") between _____ _____ ("Franchisee") and Simply Southern Restaurant Group, LLC, an Alabama limited liability company ("Franchisor"), executed concurrently with this Assignment, under which Franchisor granted Franchisee the right to own and operate a Chicken Salad Chick restaurant located at _____ (the "Restaurant").

For Value Received, Franchisee hereby assigns to Franchisor, all of the right, title and interest in and to those certain telephone numbers listed below and regular, classified or other telephone directory listings (collectively, the "Telephone Numbers and Listings") associated with Franchisor's trademarks and service marks and used from time to time in connection with the operation of the Restaurant at the address provided above. Except as specified herein, Franchisor shall have no liability or obligation of any kind whatsoever arising from or in connection with this Agreement, unless Franchisor shall notify the Telephone Company and/or the listing agencies with which Franchisee has placed telephone directory listings (all such entities are collectively referred to herein as the Telephone Company) to effectuate the assignment pursuant to the terms hereof.

FRANCHISEE:	SIMPLY SOUTHERN RESTAURANT GROUP, LLC
By: _____	By: _____
Title: _____	Title _____
Telephone Numbers:	Telephone Numbers:
_____	_____
_____	_____
_____	_____

EXHIBIT D

FRANCHISEE
EMPLOYEE CONFIDENTIALITY AND
NON-COMPETITION AGREEMENT

WHEREAS, the undersigned (hereinafter called "Employee") has been offered employment by _____ (hereinafter called "Employer"), a franchisee of Simply Southern Restaurant Group, LLC ("Franchisor"); and

WHEREAS, Franchisor has developed a system (the "System") which includes, without limitation, the development and operation of fast casual restaurants featuring a limited menu of specialty chicken salads, gourmet side items and soups, and emphasizing prompt and courteous service in a clean, wholesome atmosphere; and

WHEREAS, as a condition of Employee being employed by Employer, as a manager or assistant manager, to work in the business of Employer, and the continuation of such employment, the undersigned hereby covenants and agrees as follows:

1. The undersigned hereby acknowledges that Employer's and Franchisor's menus and recipes, and all trade and technical data, information or know-how, including without limitation, all of the components of the System, have been developed by Franchisor, are unique and constitute trade secrets, and are the sole and exclusive property of Employer (hereinafter collectively called the "Confidential Information"), that any use of such Confidential Information by the undersigned other than for the sole and exclusive benefit of Employer would be wrongful and would cause irreparable injury to Employer and Franchisor, and that protection of such Confidential Information is essential to the continued success of Employer and Franchisor.

2. The undersigned further acknowledges and agrees that operation manuals, technical bulletins and other Confidential Information, which are designed to explain the standards for such things as operation of the business, marketing and promotional ideas, and trademark displays and images, are the sole and exclusive property of Franchisor, and that any unauthorized use of the information contained in the operations manuals and other confidential communications by the undersigned other than for the sole benefit of Employer and Franchisor would be wrongful and would constitute irreparable injury to Employer and Franchisor, and that the protection of the Confidential Information is essential to the continued success of Employer and Franchisor.

3. The undersigned shall not, at any time, without the express prior written consent of Employer, communicate, publish, disclose or divulge, directly or indirectly, to any person, firm, corporation or other entity, or use for the benefit of the undersigned, or the benefit of any person, firm, corporation or other entity other than Employer, the information contained in the Confidential Information of Franchisor learned or obtained pursuant to the employment of the undersigned with Employer.

4. The undersigned agrees that, during the term of my employment, I will not take out of Employer's premises, or from any Employer vehicle, Confidential Information, or the contents of any manuals, and that if, at the termination of employment, I am in possession of any of Employer's property or Confidential Information, I will immediately surrender same to Employer. The undersigned further acknowledges and agrees that Employer's menu constitutes Confidential Information protected by this Agreement.

5. The undersigned acknowledges and agrees that, in the event of any violation of the terms of this Agreement, Employer and Franchisor shall be authorized and entitled to obtain from any court of competent jurisdiction preliminary and permanent injunctive relief, as well as an equitable accounting of all profits or benefits arising out of such violation, in addition to any other rights and remedies to which Employer or Franchisor may be entitled.

6. **Non-Competition**. Employee agrees that, upon termination of employment with Employer, for a period of twelve (12) months commencing on the effective date of termination, Employee will not, directly or indirectly, for his or her benefit or through, on behalf of, or in conjunction with any other person, partnership or corporation, own, advise, invest in, franchise, make loans to, or have any interest, whether financial or otherwise, in any fast casual restaurant business which sells chicken salad and that is the same or similar to the Chicken Salad Chick restaurant concept, as it evolves or changes over time, and businesses whose menu items that are the same or similar to Chicken Salad Chick restaurants within the territory described in Exhibit A attached hereto and incorporated herein by reference. Employee further agrees that he or she, for a period of twelve (12) months after termination of employment, will not contact or solicit any person that is a customer of Employer on the date of termination, or who has been a customer of Employer at any time during the six (6) month period immediately preceding the date of termination of employment.

7. All of the covenants, terms, provisions and agreements contained herein shall be binding upon and inure to the benefit of the parties hereto, and their respective heirs, successors, assigns and legal representatives.

8. This Agreement shall be interpreted in accordance with the laws of the State of Alabama.

9. Should any part of this Agreement for any reason be declared invalid, such invalidity does not affect the validity of any remaining portion, which remaining portion shall continue in force and effect as if this Agreement had been executed with the invalid portion thereof eliminated.

IN WITNESS WHEREOF, the undersigned has hereto set his or her hand and seal this _____ day of _____, 20___.

_____
[Employee]

EXHIBIT B

AREA DEVELOPMENT AGREEMENT

Simply Southern Restaurant Group, LLC

AREA DEVELOPMENT AGREEMENT

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EXHIBIT A – Development Schedule

SIMPLY SOUTHERN RESTAURANT GROUP, LLC

CHICKEN SALAD CHICK
AREA DEVELOPMENT AGREEMENT

This Area Development Agreement (the "Agreement") is entered into by and between Simply Southern Restaurant Group, LLC, an Alabama limited liability company, with its principal place of business in Atlanta, Georgia (hereinafter referred to as "Franchisor"), and _____ (hereinafter referred to as "Developer"). This Agreement is effective as of the date Franchisor signs it, which is set forth next to its signature at the end of this Agreement (the "Effective Date").

WITNESSETH:

Franchisor and its affiliates have developed and own a unique restaurant system ("System"). The System is a comprehensive system for the development and operation of fast casual restaurants featuring a limited menu of specialty chicken salads, gourmet side items and soups, and emphasizing prompt and courteous service in a clean, wholesome atmosphere. The distinguishing characteristics of the System include, without limitation, designs and color schemes for restaurant premises; interior and exterior layout and trade dress; standards and specifications for equipment, equipment layout, and menus and special recipes; operating procedures for food and beverage preparation and service and catering procedures; and methods and techniques for inventory and cost controls, record-keeping and reporting, purchasing, promotion, and marketing; all of which may be modified by Franchisor from time to time.

Franchisor has the right to license certain trade names, service marks, and trademarks, including but not limited to "Chicken Salad Chick" and other names, service marks, and trademarks, as part of the System ("Marks"). Franchisor continues to develop, use, and control such Marks for the benefit and exclusive use of Franchisor and its franchisees in order to identify for the public the source of goods and services marketed thereunder and to represent the System's high standards of quality, appearance and service.

Developer understands and acknowledges the importance of Franchisor's System and its high and uniform standards of quality, cleanliness, appearance, and service and the necessity of opening and operating restaurants in conformity with Franchisor's standards and specifications, and Developer acknowledges that he or she has employment experience and skills other than the experience and skills that would be obtained pursuant to this Agreement.

NOW, THEREFORE, the parties, in consideration of the premises and the covenants, undertakings, and commitments of each party to the other party set forth herein, hereby mutually agree as follows:

I. <u>GRANT</u>

A. Franchisor hereby grants to Developer and its Approved Affiliates (defined below), pursuant to the terms and conditions of this Agreement, the right to develop _____ (__) Chicken Salad Chick restaurants ("Restaurants") within the territory set forth in Exhibit A (the "Development Area"). If Developer or its owners establish a new legal entity to operate one or more of the Restaurants to be developed pursuant to this Agreement and that new legal entity's ownership is completely identical to Developer's ownership (if Developer does not directly wholly own that legal entity), that legal entity automatically will be considered an "Approved Affiliate"

without further action. However, if the new legal entity's ownership is not completely identical to Developer's ownership (if Developer does not directly wholly own that legal entity), Developer first must seek Franchisor's approval for that new entity to develop and operate the proposed Restaurant(s) as an Approved Affiliate. Franchisor may refuse any such request if Developer and/or its owners, as applicable, do not (a) own and control at least seventy-five percent (75%) of the new entity's ownership interests and (b) have the authority to exercise voting and management control of the Restaurant proposed to be owned by the new entity. All references to "Developer" in this Agreement will be deemed to include (where appropriate in the particular context) all Approved Affiliates that are established by Developer and/or its owners, in compliance with this Agreement's terms, to develop and operate Restaurants.

B. Except as otherwise provided in this Section I.B, Franchisor and its affiliates shall not establish, or license anyone other than Developer to establish, a Chicken Salad Chick Restaurant the physical premises of which is located in the Development Area prior to the termination or expiration of this Agreement. However, Franchisor and its affiliates reserve the right to establish, and to license third parties to establish, Chicken Salad Chick Restaurants at or within both Non-Traditional Venues (defined below) and Restricted Venues (defined below) physically located within the Development Area, but only if Developer cannot or chooses not to pursue the opportunity at or within the particular venue when it becomes available, no matter the reason for Developer's not pursuing the opportunity.

A "Non-Traditional Venue" is defined to mean a captive-venue location, including, without limitation, airports, hospitals or medical centers, limited-access highway food facilities, bus or train locations, entertainment and sports complexes, convention centers, military facilities, schools, colleges, and universities, office facilities, department and retail super-stores, mobile units, off-site sales accounts, convenience stores, supermarkets, shopping malls, home-improvement retailers. and any type of location known colloquially as "virtual kitchens," "ghost kitchens," "ghost operations," or locations that operate on a delivery and/or pick-up-only basis. A "Restricted Venue" is a physical location within the Development Area (which need not be a Non-Traditional Venue) for which that location's owner or manager sets financial, experience, or organizational standards for an acceptable operator that Developer or its Approved Affiliate does not and cannot satisfy when the opportunity becomes available.

Development of a Chicken Salad Chick Restaurant by Franchisor, its affiliate, or another franchisee or licensee at or within a Non-Traditional Venue or a Restricted Venue physically located in the Development Area, as allowed in this Section, does <u>not</u> count toward Developer's compliance with the Development Schedule. Development of a Chicken Salad Chick Restaurant by Developer at or within a Non-Traditional Venue (as opposed to at or within a Restricted Venue) physically located in the Development Area likewise does <u>not</u> count toward Developer's compliance with the Development Schedule.

C. The location exclusivity described above (subject to the carve-outs in Section I.B for Non-Traditional Venues and Restricted Venues) is the only restriction on Franchisor's (and its affiliates') activities within the Development Area during this Agreement's term. Franchisor and its affiliates have the right to engage, and to grant others the right to engage, in any other activities of any nature whatsoever within the Development Area, including, without limitation, all of the activities in which they reserve the right to engage in the Franchise Agreement.

D. This Agreement does not give Developer (or its Approved Affiliates) any right to franchise, license, subfranchise, or sublicense others to develop and operate Chicken Salad Chick Restaurants. Only Developer (and/or its Approved Affiliates) may construct, develop, open,

and operate Chicken Salad Chick Restaurants pursuant to this Agreement. This Agreement also does not give Developer (or its Approved Affiliates) any independent right to use Franchisor's Marks. The right to use Franchisor's Marks is granted only under a franchise agreement signed directly with Franchisor. This Agreement only grants Developer (and its Approved Affiliates) potential development rights if Developer fully complies with its terms.

E. This Agreement is not subject to renewal.

II. DEVELOPMENT FEE

Developer shall pay to Franchisor upon execution of this Agreement a development fee of $_____, which fee shall be non-refundable and fully earned by Franchisor upon execution of this Agreement, in consideration for the Restaurant development rights granted, administrative and other expenses incurred by Franchisor, and for the development opportunities lost or deferred as a result of the exclusivity granted herein. The development fee represents $50,000 for the first franchise to be developed and $20,000 of the initial franchise fee due pursuant to the Franchise Agreement for each additional franchise to be granted hereunder. After Developer's first franchise, the balance of the franchise fee of $25,000 for subsequent locations will be due and payable upon execution of each Franchise Agreement, plus a $10,000 grand opening marketing fee to Franchisor's affiliate for each such location. Developer (and its Approved Affiliates) shall have no right to recover from Franchisor, directly or indirectly, any of the fees which are paid pursuant to this Section II.

III. DEVELOPMENT SCHEDULE

To maintain its rights under this Agreement, Developer (and/or its Approved Affiliates) must, by the deadlines specified in the schedule set forth in Exhibit A ("Development Schedule"), sign franchise agreements and leases for, and then construct, develop, and have open and operating within the Development Area, the _____ Restaurants set forth in Exhibit A. Time is of the essence in this agreement, and Franchisor has no obligation under any circumstances to extend the Development Schedule. Developer hereby acknowledges that its timely development of the Restaurants in the Development Area in accordance with the deadlines in the Development Schedule is of material importance to Franchisor, and Developer agrees, as a condition to the continuance of the rights granted hereunder, to sign franchise agreements and leases for, and then to construct, develop, and open, the Restaurants within the Development Area in accordance with the Development Schedule, to operate such Restaurants pursuant to the terms of franchise agreements, and to maintain all such Restaurants in operation during the term of this Agreement. Developer's failure to comply with the Development Schedule is a material breach of this Agreement; however, Franchisor's rights pursuant to Section V.C of this Agreement shall be Franchisor's exclusive remedies for Developer's failure to meet the Development Schedule.

Developer shall sign Franchisor's then-current form of franchise agreement (and related documents, including Guaranty and Assumption of Obligations) for each Restaurant developed pursuant to this Agreement, any or all terms of which may differ substantially and materially from any or all terms contained in the first Franchise Agreement signed by Developer, provided that (a) the initial franchise fee will not change from that provided in Section II above, and (b) the Continuing Royalty Fee rate specified in Franchisor's then-current form of franchise agreement will (if greater) be modified for the initial franchise term for each new Restaurant to be the same as the Continuing Royalty Fee rate specified in the first Franchise Agreement signed by Developer unless Developer (and its Approved Affiliates) are not then in full compliance with this Agreement, the first Franchise Agreement, and all other franchise agreements then in effect between

Franchisor and Developer (and its Approved Affiliates) for Chicken Salad Chick Restaurants. If Developer (and its Approved Affiliates) are not then in full compliance with this Agreement, the first Franchise Agreement, and all other franchise agreements then in effect between Franchisor and Developer (and its Approved Affiliates) for Chicken Salad Chick Restaurants, then the Continuing Royalty Fee rate specified under Franchisor's then-current form of franchise agreement will not be modified as provided above for the initial franchise term of the Chicken Salad Chick Restaurant.

IV. TERM

Unless sooner terminated in accordance with the terms of this Agreement, the term of this Agreement and all rights granted to Developer hereunder shall expire automatically, without any further notice required from Franchisor, on the date on which the final Restaurant to be developed under the Development Schedule must, according to the Development Schedule, be open and operating in the Development Area. In no event will this Agreement end later than *[<insert date>]*.

V. DEFAULT

A. The territorial exclusivity (subject to Section I.B) granted to Developer in this Agreement has been granted in reliance on Developer's representations and assurances, among others, that the conditions set forth in Sections I and III of this Agreement will be met by Developer in a timely manner.

B. Developer shall be deemed in default under this Agreement, and all rights granted herein shall automatically terminate without notice, if Developer is adjudicated a bankrupt, becomes insolvent, suffers permanent or temporary court appointed receivership of substantially all of its property, makes a general assignment for the benefit of creditors, or suffers the filing of a voluntary or involuntary bankruptcy petition which is not dismissed within thirty (30) days after filing.

C. If Developer:

1. fails to comply with any requirement under the Development Schedule;

2. fails to comply with any other terms and conditions of this Agreement and does not correct such failure within thirty (30) days after written notice of such failure to comply is delivered to Developer;

3. makes or attempts to make a transfer or assignment in violation of Section VI.B hereof;

4. makes or has made any misrepresentation to Franchisor in connection with obtaining this Agreement;

5. uses the System or Franchisor's Marks except pursuant to and in accordance with a valid and effective Franchise Agreement;

6. is convicted of a felony or any crime involving moral turpitude; or

7. terminates (directly or through an Approved Affiliate) any Franchise Agreement with Franchisor, or takes any action or fails to take any action as a result of

which Franchisor terminates any Franchise Agreement with Developer (or its Approved Affiliates);

such action shall constitute a default under this Agreement. Upon any such default, Franchisor, in its sole judgment, may do any one or more of the following:

a. Terminate this Agreement and all rights granted hereunder without affording Developer any opportunity to cure the default, effective immediately upon receipt of written notice by Developer;

b. Terminate the territorial exclusivity (subject to Section 1.B) granted Developer hereunder or reduce the size and scope of the Development Area granted Developer hereunder; or

c. Develop the Development Area itself (or through affiliates) or license others to establish Restaurants the physical premises of which are located in the Development Area, except as may otherwise be provided under any Franchise Agreement which has been executed between Franchisor and Developer.

D. Upon termination or expiration of this Agreement, Developer shall have no right to establish or operate any Restaurant for which a Franchise Agreement has not been executed by Franchisor and is then in effect. Franchisor shall be entitled, without any limitations whatsoever, to establish itself (or through affiliates) or license others to establish Restaurants the physical premises of which are located in the Development Area, except as may otherwise be provided under any Franchise Agreement which has been executed between Franchisor and Developer (or its Approved Affiliates). No default under this Agreement shall constitute a default under any Franchise Agreement between the parties hereto (unless the default also constitutes a separate default under the Franchise Agreement).

E. No right or remedy herein conferred upon or reserved to Franchisor is exclusive of any other right or remedy provided or permitted by law or equity.

VI. TRANSFERABILITY

A. Franchisor may change its ownership or form and/or assign this Agreement and any other agreement to a third party without restriction. After Franchisor assigns this Agreement to a third party that expressly assumes this Agreement's obligations, Franchisor no longer will have any performance or other obligations under this Agreement. That assignment will constitute a release and novation with respect to this Agreement, and the new owner-assignee will be liable to Developer as if it had been an original party to this Agreement. Specifically and without limiting the foregoing, Developer agrees that Franchisor may sell its assets (including this Agreement), the Marks, or the System to a third party; offer its ownership interests privately or publicly; merge, acquire other business entities, or be acquired by another business entity; and/or undertake a refinancing, recapitalization, leveraged buyout, securitization, or other economic or financial restructuring.

B. Developer understands and acknowledges that the rights and duties set forth in this Agreement are personal to Developer and are granted in reliance upon the personal qualifications, including financial condition, of Developer. Developer has represented to Franchisor that Developer is entering into this Agreement with the intention of complying with its

terms and conditions and not for the purpose of resale of the developmental rights hereunder. Developer shall not sell, pledge, assign, or transfer any interest in this Agreement or in Developer, including assignments or transfers between owners, without the prior written approval of Franchisor, which approval shall be granted on the same terms and conditions as set forth in Section XVII of the Franchise Agreement. Developer agrees that any attempt to assign or transfer any interest in Developer or in this Agreement without Franchisor's prior written approval shall be deemed an event of default and will have no effect, meaning Developer and its owners will continue to be obligated to Franchisor for all obligations under this Agreement. The attempted assignment or transfer also allows Franchisor to exercise its rights under Section V.C. All the terms and conditions of Section XVII of the Franchise Agreement with respect to transferability of interest, including, without limitation, transfers upon death or incapacity, shall apply to this Agreement.

VII. COVENANTS

Developer covenants that, except as otherwise approved in writing by Franchisor, during the term of this Agreement and for a period of eighteen (18) months after the expiration or termination of this Agreement, regardless of the cause for termination, Developer shall not do or engage in any act prohibited by Section XX of the Franchise Agreement.

VIII. NOTICES

Any and all notices required or permitted under this Agreement shall be in writing and shall be deemed delivered at the time delivered by hand; or one (1) business day after deposit with a nationally-recognized commercial courier service for next business day delivery; or three (3) business days after placement in the United States Mail by Registered or Certified Mail, Return Receipt Requested, postage prepaid; and must be addressed to the party to be notified at its most current principal business address of which the notifying party has been notified. As of the Effective Date, notices should be addressed to the following addresses unless and until a different address has been designated by written notice to the other party:

Notice to FRANCHISOR: Simply Southern Restaurant Group, LLC
2839 Paces Ferry Road SE
Ste. 500
Atlanta, Georgia 30339

Notices to Developer: _____
_____
_____

IX. INDEPENDENT CONTRACTOR AND INDEMNIFICATION

A. It is understood and agreed by the parties hereto that this Agreement does not create a fiduciary relationship between them, and nothing in this Agreement is intended to constitute either party an agent, legal representative, subsidiary, joint venturer, partner, employee, or servant of the other for any purpose whatsoever. Each party to this Agreement is an independent contractor, and neither shall be responsible for the debts or liabilities incurred by the other.

B. Developer shall hold itself out to the public to be an independent contractor operating pursuant to this Agreement. Developer agrees to take such actions as shall be necessary to that end.

C. The parties understand and agree that nothing in this Agreement authorizes any party to make any contract, agreement, warranty or representation on the other party's behalf or to incur any debt or other obligation in the other party's name.

X. NON-WAIVER

No failure of Franchisor to exercise any power reserved to it in this Agreement or to insist upon compliance by Developer with any obligation or condition in this Agreement, and no custom or practice of the parties at variance with the terms hereof, shall constitute a waiver of Franchisor's rights to demand exact compliance with the terms of this Agreement. Waiver by Franchisor of any particular default shall not affect or impair Franchisor's right in respect to any subsequent default of the same or of a different nature. Nor shall any delay, forbearance, or omission of Franchisor to exercise any power or right arising out of any breach or default by Developer of any of the terms, provisions, or covenants of this Agreement affect or impair Franchisor's rights or constitute a waiver by Franchisor of any rights hereunder or right to declare any subsequent breach or default.

XI. SEVERABILITY AND CONSTRUCTION

A. This Agreement shall be deemed severable.

B. Nothing in this Agreement shall confer upon any person or legal entity other than Franchisor or Developer, and such of their respective successors and assigns as may be contemplated by Section VI hereof, any rights or remedies under or by reason of this Agreement.

C. All captions in this Agreement are intended solely for the convenience of the parties, and none shall be deemed to affect the meaning or construction of any provision hereof.

D. All references herein to gender and number shall be construed to include such other gender and number as the context may require, and all acknowledgements, promises, covenants, agreements, and obligations herein made or undertaken by Developer shall be deemed jointly and severally undertaken by all the parties hereto on behalf of Developer.

XII. ENTIRE AGREEMENT-APPLICABLE LAW

This Agreement and all exhibits to this Agreement constitute the entire agreement between the parties and supersede any and all prior negotiations, understandings, representations, and agreements. Nothing in this or in any related agreement, however, is intended to disclaim the representations Franchisor made in the franchise disclosure document that Franchisor furnished to Developer. No amendment, modification, or alteration of this Agreement shall be binding on either party unless mutually agreed to by the parties and executed by their authorized officers or agents in writing.

This Agreement and the parties' relationship shall be construed pursuant to the laws of the State of Georgia, without regard to its conflict of laws rules. However, the provisions of any Georgia legislation regulating the offer or sale of franchises, business opportunities, or similar interests, or governing the relationship between a franchisor and a franchisee or any similar

relationship, will not apply unless their jurisdictional requirements and definitional elements are met independently without reference to this Section, and no exemption to their application exists.

XIII. DISCLAIMER

A. Developer acknowledges that the estimated expenses and investment requirements set forth in Items 6 and 7 of Franchisor's franchise disclosure document are subject to increase over time, and future Chicken Salad Chick Restaurants likely will involve greater initial investment and operating capital requirements than those stated in the franchise disclosure document provided to Developer before it signed this Agreement. Developer must open all of the Chicken Salad Chick Restaurants in compliance with the Development Schedule, regardless of (i) the requirement of a greater investment, (ii) the financial condition or performance of Developer's previous Chicken Salad Chick Restaurants, or (iii) any other circumstances, financial or otherwise. However, Franchisor is not obligated to execute any of the franchise agreements contemplated by this Agreement if Developer has not complied with each and every condition in this Agreement or otherwise does not meet Franchisor's then-current requirements.

THE PROVISIONS IN PARAGRAPHS B THROUGH D BELOW APPLY TO ALL DEVELOPERS AND FRANCHISES EXCEPT NOT TO ANY DEVELOPERS AND FRANCHISES THAT ARE SUBJECT TO THE STATE FRANCHISE REGISTRATION/DISCLOSURE LAWS IN CALIFORNIA, HAWAII, ILLINOIS, INDIANA, MARYLAND, MICHIGAN, MINNESOTA, NEW YORK, NORTH DAKOTA, RHODE ISLAND, SOUTH DAKOTA, VIRGINIA, WASHINGTON, AND WISCONSIN.

B. Developer acknowledges that Developer is entering into this Agreement as a result of Developer's own independent investigation of Franchisor's franchised business and not as a result of any representations about Franchisor made by Franchisor's shareholders, officers, directors, employees, agents, representatives, independent contractors, or franchisees that are contrary to the terms set forth in this Agreement or in any disclosure document, prospectus, or other similar document required or permitted to be given to Developer pursuant to applicable law.

C. Developer acknowledges that the success of the business venture contemplated by this Agreement involves substantial business risks and will be largely dependent upon the ability of the Developer as an independent businessman. Franchisor expressly disclaims the making of, and Developer acknowledges it has not received or relied upon, any warranty or guarantee, express or implied, as to the potential volume, profits, or success of the business venture contemplated by this Agreement.

D. Developer acknowledges that it has received, read, and understood this Agreement and the attachments hereto, and that Franchisor has afforded Developer ample time and opportunity to consult with advisors of Developer's own choosing about the potential benefits and risks of entering into this Agreement.

XIV. ARBITRATION

Except as expressly provided to the contrary in the Franchise Agreement, all disputes and controversies between Developer and Franchisor, including allegations of fraud, misrepresentation, and violation of any state or federal laws or regulations, arising under, as a result of, or in connection with this Agreement or the parties' relationship are subject to and will be resolved exclusively by arbitration conducted in accordance with the Commercial Rules and

Regulations of the American Arbitration Association. Arbitration shall be subject to and governed by Section XXVIII of the Franchise Agreement.

Despite the parties' agreement to arbitrate, each has the right to seek temporary restraining orders and temporary or preliminary injunctive relief from a court of competent jurisdiction, provided, however, each must contemporaneously submit its dispute for arbitration on the merits as provided in this Section and in Section XXVIII of the Franchise Agreement.

XV. FORCE MAJEURE

If any party's performance of any obligation under this Agreement is prevented, hindered, or delayed because of force majeure and not through any act or omission of such party, and that force majeure cannot be overcome by use of normal commercial measures, the parties shall be relieved of their respective obligations to the extent the parties are respectively necessarily prevented, hindered, or delayed in the performance during the period of force majeure. As used in this Agreement, the term "force majeure" shall mean any act of God, strike, lockout or other industrial disturbance, war (declared or undeclared), riot, epidemic, fire or other catastrophe, act of any government, and any other similar cause not within the control of the affected party. The party whose performance is affected by an event of force majeure shall give prompt notice of the force majeure event to the other party setting forth the nature of the event, an estimate as to its duration, and a plan for resuming compliance with this Agreement, which the party shall promptly undertake and maintain with due diligence. Under no circumstances do any financing delays, difficulties, or shortages, or the alleged absence of adequate sites for Restaurants in the Development Area, excuse Developer's failure to perform or delay in performing its obligations under this Agreement.

XVI. NO WAIVER OR DISCLAIMER OF RELIANCE IN CERTAIN STATES

The following provision applies only to developers and franchises that are subject to the state franchise registration/disclosure laws in California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington or Wisconsin:

> No statement, questionnaire, or acknowledgement signed or agreed to by Developer 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 Franchisor, any franchise seller, or any other person acting on Franchisor's behalf. This provision supersedes any other term of any document executed in connection with the franchise.

[Signatures appear on following page.]

IN WITNESS WHEREOF, the parties hereto have duly executed, sealed, and delivered this Agreement on the day and year first above written.

ATTEST

By: _____
As Its _____

_____
Witness

_____
Witness

SIMPLY SOUTHERN RESTAURANT GROUP, LLC

By: _____
As Its _____
Date: _____**

**Effective Date

DEVELOPER:

_____

_____

GUARANTY AND ASSUMPTION OF OBLIGATIONS

THIS GUARANTY AND ASSUMPTION OF OBLIGATIONS is given this _____ day of_____ 20__, by _____
_____
_____
_____

In consideration of, and as an inducement to, the execution of that certain Area Development Agreement of even date herewith (the "Agreement") by Simply Southern Restaurant Group, LLC ("Franchisor"), each of the undersigned hereby personally and unconditionally: (1) guarantees to Franchisor, and its successors and assigns, for the term of the Agreement and thereafter as provided in the Agreement, that _____ _____ ("Developer") shall punctually pay and perform each and every undertaking, agreement and covenant set forth in the Agreement; and (2) shall personally be 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. Each of the undersigned waives: (1) acceptance and notice of acceptance by Franchisor of the foregoing undertakings; (2) notice of demand for payment of any indebtedness or non-performance of any obligations hereby guaranteed; (3) protest and notice of default to any party with respect to the indebtedness or non-performance of any obligations hereby guaranteed; (4) any right he or she may have to require that an action be brought against Developer or any other person as a condition of liability; and (5) any and all other notices and legal or equitable defenses to which he or she may be entitled.

Each of the undersigned consents and agrees that: (1) his or her direct and immediate liability under this guaranty shall be joint and several; (2) he or she shall render any payment or performance required under the Agreement upon demand if Developer fails or refuses punctually to do so; (3) such liability shall not be contingent or conditioned upon pursuit by Franchisor of any remedies against Developer or any other person; and (4) such liability shall not be diminished, relieved, or otherwise affected by any extension of time, credit, or other indulgence which Franchisor may from time to time grant to Developer or to any other person, including without limitation, the acceptance of any partial payment or performance or the compromise or release of any claims, none of which shall in any way modify or amend this guaranty, which shall be continuing and irrevocable during the term of the Agreement.

Each of the undersigned consents and agrees that any claims he or she may have against Developer are, and will be, subordinate to this Guaranty and Assumption of Obligations.

IN WITNESS WHEREOF, each of the undersigned has hereunto signed this Guaranty and Assumption of Obligations on the same day and year as the Agreement was executed.

GUARANTOR(S)

_____

_____

EXHIBIT A
TO THE AREA DEVELOPMENT AGREEMENT
BETWEEN SIMPLY SOUTHERN RESTAURANT GROUP, LLC AND
_____
DATED: _____, 20__

1. The Development Area is the geographical area described as follows:

_____
_____
_____
_____
_____
_____

Any political boundaries described above shall be considered fixed as of the date of this Agreement and shall not change for the purpose hereof, notwithstanding a political reorganization or change to such boundaries or regions. All street boundaries shall be deemed to end at the street center line unless otherwise specified above.

2. Developer agrees to develop and open _____ Chicken Salad Chick Restaurants in the Development Area, including the Restaurant that is the subject of the first Franchise Agreement, according to the following Development Schedule:

Chicken Salad Chick Restaurant Number	**Franchise Agreement to be Signed by Franchisee (or Approved Affiliate) by (Deadline)**	**Lease to be Signed by (Deadline)**	**Chicken Salad Chick Restaurant to be Open and Operating in Development Area by (Deadline)**
1	Concurrently with this Area Development Agreement		
2			
3			
4			
5			

For purposes hereof, a Restaurant that is permanently closed after having been opened, other than as a result of noncompliance by Developer with the terms of the applicable Franchise Agreement, shall be deemed open for a period of 6 months after the last day it was open for business, provided that: (i) during such period of time, Developer continuously and diligently takes such actions as may be required to develop and open a substitute Restaurant within the Development Area pursuant to a new Franchise Agreement therefor; and (ii) by the end of such

period Developer has the substitute Restaurant open and operating in compliance with the Franchise Agreement therefor.

3. The development fee shall be _____ Dollars ($_____), representing Fifty Thousand Dollars ($50,000) for the 1st Franchise Agreement and Twenty Thousand Dollars ($20,000) for each additional Restaurant to be developed hereunder. Upon signing the 1st Franchise Agreement, the $10,000 grand opening fee is due. Upon signing the 2nd and each subsequent Franchise Agreement, a remaining balance of $25,000 of the franchise fee, plus the $10,000.00 grand opening fee to Franchisor's affiliate, is due.

FRANCHISOR:	**DEVELOPER:**
SIMPLY SOUTHERN RESTAURANT GROUP, LLC An Alabama limited liability company	
By: _____ Print Name: _____ Title: _____ Date: _____	_____ _____

EXHIBIT C

FINANCIAL STATEMENTS

FINANCIAL STATEMENTS

Simply Southern Restaurant Group, LLC
Years Ended December 25, 2022 and December 26, 2021
With Report of Independent Auditors

Ernst & Young LLP

Building a better working world

Simply Southern Restaurant Group, LLC

Financial Statements

Years Ended December 25, 2022 and December 26, 2021

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Building a better working world

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Report of Independent Auditors

The Board of Directors
Simply Southern Restaurant Group, LLC

Opinion

We have audited the financial statements of Simply Southern Restaurant Group, LLC (the Company), which comprise the balance sheets as of December 25, 2022 and December 26, 2021, and the related statements of operations, member's equity and cash flows for the years then ended, and the related notes (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company at December 25, 2022 and December 26, 2021, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Adoption of ASU No. 2016-02, *Leases*

As discussed in Notes 3 and 7 to the financial statements, in 2022, the Company adopted FASB Accounting Standards Codification 842, *Leases* resulting from Accounting Standards Update (ASU) No. 2016-02, *Leases*. Our opinion is not modified with respect to this matter.

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 of 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 for one year after the date that the financial statements are available to be issued.

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Building a better working world

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of 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 audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Ernst & Young LLP

April 24, 2023

A member firm of Ernst & Young Global Limited

Simply Southern Restaurant Group, LLC

Balance Sheets

	December 25, 2022	December 26, 2021
Assets		
Current assets:		
Cash and cash equivalents	**$ 581,194**	$ 660,620
Royalties fees receivable	**261,765**	267,043
Other receivables	**39,522**	213,839
Prepaid expenses	**409,303**	405,051
Total current assets	**1,291,784**	1,546,553
Property and equipment, net	**1,423,993**	924,980
Other assets:		
Intangibles	**27,180,000**	27,180,000
Goodwill	**30,069,380**	30,069,380
Right of use asset	**1,040,112**	–
Due from related parties	**2,198,945**	1,726,071
Total other assets	**60,488,437**	58,975,451
Total assets	**$ 63,204,214**	$ 61,446,984
Liabilities and member's equity		
Current liabilities:		
Accounts payable	**$ 74,200**	$ 200,232
Accrued payroll	**292,949**	349,239
Deferred revenues – current	**706,350**	711,417
Lease liabilities – current	**293,376**	–
Other accrued expenses	**730,946**	1,669,891
Total current liabilities	**2,097,821**	2,930,779
Long-term liabilities:		
Deferred rent	**–**	553,263
Deferred revenues – long-term	**7,488,033**	7,283,540
Lease liabilities – long-term	**1,226,375**	–
Total long-term liabilities	**8,714,408**	7,836,803
Total liabilities	**10,812,229**	10,767,582
Member's equity:		
Contributed capital	**52,859,784**	52,408,299
Accumulated deficit	**(467,799)**	(1,728,897)
Total member's equity	**52,391,985**	50,679,402
Total liabilities and member's equity	**$ 63,204,214**	$ 61,446,984

See accompanying notes.

Simply Southern Restaurant Group, LLC

Statements of Operations

	Year Ended December 25, 2022	Year Ended December 26, 2021
Revenue:		
Area development agreement fees	**$ 447,172**	$ 361,667
Franchise agreement fees	**604,404**	464,625
Royalty fees	**10,956,726**	9,155,383
Total revenue	**12,008,302**	9,981,675
Operating expenses:		
General and administrative	**10,550,204**	10,566,855
Depreciation	**197,000**	219,113
Gain on sale of property and equipment	**–**	(413,274)
Total operating expenses	**10,747,204**	10,372,694
Net income (loss)	**$ 1,261,098**	$ (391,019)

See accompanying notes.

Simply Southern Restaurant Group, LLC

Statements of Member's Equity

	Contributed Capital	Accumulated Deficit	Total Member's Equity
Balance at December 27, 2020	$ 51,956,814	$ (1,337,878)	$ 50,618,936
Stock-based compensation expense	451,485	–	451,485
Net income (loss)	–	(391,019)	(391,019)
Balance at December 26, 2021	52,408,299	(1,728,897)	50,679,402
Stock-based compensation expense	**451,485**	**–**	**451,485**
Net income	**–**	**1,261,098**	**1,261,098**
Balance at December 25, 2022	**$ 52,859,784**	**$ (467,799)**	**$ 52,391,985**

See accompanying notes.

Simply Southern Restaurant Group, LLC

Statements of Cash Flows

	Year Ended December 25, 2022	Year Ended December 26, 2021
Operating activities		
Net income (loss)	**$ 1,261,098**	$ (391,019)
Adjustments to reconcile net income (loss) to net cash provided by operating activities:		
Depreciation	**197,000**	219,113
Stock-based compensation expense	**451,485**	451,485
Gain on sale of property and equipment	**–**	(413,274)
Non-cash operating lease expense	**(73,624)**	**–**
Change in royalties fees receivable	**5,278**	272,839
Change in other receivables	**174,317**	(136,302)
Change in prepaid expenses	**(4,252)**	(214,416)
Change in accounts payable	**(126,032)**	(78,159)
Change in accrued payroll	**(56,290)**	38,475
Change in deferred rent	**–**	553,263
Change in deferred revenues	**199,426**	343,708
Change in other accrued expenses	**(938,945)**	1,363,096
Net cash provided by operating activities	**1,089,461**	2,008,809
Investing activities		
Purchases of property and equipment	**(696,013)**	(767,633)
Sale of property and equipment	**–**	1,070,500
Net cash (used for) provided by investing activities	**(696,013)**	302,867
Financing activities		
Change in due to/from related parties	**(472,874)**	(2,054,894)
Net cash (used for) financing activities	**(472,874)**	(2,054,894)
Change in cash and cash equivalents	**(79,426)**	256,782
Cash and cash equivalents at beginning of year	**660,620**	403,838
Cash and cash equivalents at end of year	**$ 581,194**	$ 660,620

See accompanying notes.

Simply Southern Restaurant Group, LLC

Notes to Financial Statements

Years Ended December 25, 2022 and December 26, 2021

1. Summary of Significant Accounting Policies

Nature of Operations

Simply Southern Restaurant Group, LLC (the Company), a single-member LLC, was organized under the laws of the state of Alabama on October 1, 2012, and is the owner and franchisor of the Chicken Salad Chick brand. The member's liability in the Company is limited to its membership interest in the Company. The Company is a direct, wholly owned subsidiary of SSRG Holdings, LLC (the Parent), a single-member LLC, organized under the laws of state of Georgia in May 2015. In 2019, BA CSC Holdings, LLC (BA CSC) was incorporated by investment funds affiliated with Brentwood Associates Private Equity. CSC Merger Sub, LLC (Merger Sub) was organized by BA CSC as its wholly owned subsidiary to acquire the Parent. On November 4, 2019, pursuant to an agreement and plan of merger, Merger Sub merged with and into the Parent (the Acquisition). Following the Acquisition, the separate existence of Merger Sub ceased, and the Parent continued as the surviving limited liability company in the merger and as a wholly owned subsidiary of BA CSC. In addition to the Company, the Parent also has SSRG II, LLC and CSC Ad Funds, LLC as it wholly owned subsidiaries.

The Company is engaged in the growth, development, and branding of Chicken Salad Chick, a unique restaurant concept, primarily through corporate and franchise unit expansion across the United States. The nature of the Company's current business operations is to sell franchise units and provide support for its franchise owners who serve the customers of Chicken Salad Chick.

As of December 25, 2022 and December 26, 2021, the Company had 159 and 150 franchised stores, respectively. The Company opened 15 new franchised stores, closed 4 franchised stores, and SSRG II, LLC acquired 2 previously franchised stores in 2022. The Company opened 23 new franchised stores and closed 2 franchised stores in 2021.

2. Basis of Presentation

The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States (U.S. GAAP). The accompanying financial statements include the accounts of the Company.

Comprehensive income (loss) for the years ended December 25, 2022 and December 26, 2021, was the same as the net income (loss) reported on the statement of operations.

2. Basis of Presentation (continued)

Use of Estimates

The preparation of financial statements in accordance with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

3. Summary of Significant Accounting Policies

Fiscal Year

The Company has a 52/53-week fiscal year that ends on the last Sunday in each calendar year. In a 52-week fiscal year, each fiscal quarter contains 13 weeks. In a 53-week fiscal year, the fourth fiscal quarter contains 14 weeks and the remaining quarters contain 13 weeks. Fiscal years 2022 and 2021 were 52-week years.

Revenue Recognition

Area Development and Franchise Agreement Fees

Revenues are recognized from development fees associated with a franchisee's planned development of a specified number of restaurants within a defined geographic territory, franchise fees associated with the opening of new restaurants, renewal fees associated with the renewal of the franchise contract, and transfer fees associated with the transfer of franchise contracts. The Company has determined that development fees and franchise fees are not distinct from the continuing rights or services offered during the term of the franchise agreement and should be treated as a single performance obligation. Therefore, development fees and franchise fees received from franchisees are recognized as revenue over the term of each respective franchise agreement, which is typically ten years.

Royalty Fees

Revenues from franchise operations include royalty fees based on a percentage of restaurant sales. The franchise agreements generally require the franchisees to pay the Company a royalty of 5% of sales. The Company recognizes royalty revenues as earned upon sale of food and beverage products at the franchised restaurants.

3. Summary of Significant Accounting Policies (continued)

Cash and Cash Equivalents

The Company considers all highly liquid instruments with maturities of three months or less at the time of purchase. The Company maintains cash on deposit with domestic financial institutions. In certain instances, cash on deposit exceeds federally insured limits.

Royalties Fees Receivable

Royalties fees receivable consist of amounts due from franchisees related to royalties. Allowance for doubtful accounts is recorded based on management's judgement regarding the Company's ability to collect as well as the age of the accounts receivable. As of December 25, 2022 and December 26, 2021, the Company considers accounts receivable to be fully collectible; accordingly, no material allowance for doubtful accounts has been recorded. The Company does not require collateral from franchisees.

Property and Equipment, Net

Property and equipment, net is stated at cost less accumulated depreciation. Depreciation and amortization are provided using the straight-line method over the estimated useful lives of the depreciable assets: 39 years for buildings; 5 to 10 years for equipment; 5 years for automobiles; 3 years for software; and in the case of leasehold improvements, the lesser of the useful life of the asset or the lease term (generally 5 to 15 years).

The Company evaluates property and equipment for impairment when circumstances arise indicating that a particular asset may be impaired. When facts and circumstances indicate that the carrying value of property and equipment may not be recoverable, management assesses the recoverability of the carrying value by comparing its expected future cash flows (undiscounted) with the carrying amount of these assets or asset groups. Accordingly, an impairment loss is recognized if the carrying value of property and equipment is not recoverable and its carrying value exceeds its fair value. The Company did not record an impairment charge for the years ended December 25, 2022 and December 26, 2021.

Maintenance, repairs, and minor renovations are charged to operations as incurred. When property and equipment is retired or otherwise disposed of, the related costs and accumulated depreciation are removed from their respective accounts, and any gain or loss on the disposition is credited or charged to operations.

3. Summary of Significant Accounting Policies (continued)

Intangibles

Intangibles relate primarily to the "Chicken Salad Chick" trade name. In connection with the Acquisition, the entire fair value of the Chicken Salad Chick trademark was pushed down from the Parent to the Company, as the Company is the owner and franchisor of the Chicken Salad Chick brand. The trademark is considered to have an indefinite life. The Company evaluates its trademark for impairment on an annual basis or more frequently if events or circumstances indicate the trademark might be impaired. The Company has the option to first perform a qualitative assessment for testing the trademark for impairment. If the Company concludes based on a qualitative assessment that it is not more likely than not that the fair value of the trademark is less than its carrying amount, the Company is then not required to perform the quantitative impairment assessment. If the Company concludes based on the qualitative assessment that it is more likely than not that the fair value of the trademark is less than its carrying value, then the Company performs a quantitative assessment. In 2022 and 2021, the Company elected to perform qualitative assessment. Based on the qualitative assessment performed in fiscal 2022 and 2021, the Company determined that its trademark was not impaired.

Goodwill

In connection with the Acquisition, the goodwill was pushed down from the Parent to the Company based on the relative fair values of the Company and Parent's company owned store operations. The Company evaluates goodwill for impairment on an annual basis as of beginning of its fourth quarter at the reporting unit level (only one reporting unit) or more frequently if events or circumstances indicate that assets might be impaired. The Company first performs a qualitative assessment for testing goodwill for impairment (qualitative assessment). If the Company concludes, based on the qualitative assessment, that it is more likely than not that the fair value of a reporting unit is less than its carrying amount, the Company performs the quantitative assessment. The Company typically uses discounted cash flow models to determine the fair value of the reporting unit under the quantitative assessment. The assumptions used in these models are consistent with those management believes hypothetical marketplace participants would use. The Company records a goodwill impairment loss if the carrying amount of the reporting unit exceeds its fair value. The goodwill impairment loss, if any, is measured as the amount by which the carrying amount of the reporting, including goodwill, exceeds its fair value. Based on the qualitative assessment performed as of the beginning of fourth quarter of 2022 and 2021, the Company determined that its goodwill was not impaired.

3. Summary of Significant Accounting Policies (continued)

Insurance

The Company carries property, general liability, fiduciary liability, and workers' compensation insurance policies. Under these programs, the Company retains a portion of the accident risk associated with workers' compensation, general liability, and property insurance in varying amounts up to $50,000 per occurrence that the Company believes are customary for businesses of its size and type. The Company also retains a portion of the risk associated with its employee health benefit plans. The Company has established liabilities with respect to its insurance and benefit programs based primarily on the actuarially estimated undiscounted cost of claims, including claims incurred but not reported. These liabilities are presented within accrued liabilities on the accompanying balance sheet.

Pursuant to the terms of their franchise agreements, the Company's franchisees are also required to maintain certain types and levels of insurance coverage, including commercial general liability insurance, workers' compensation insurance, all risk property, and automobile insurance.

Income Taxes

The accompanying financial statements do not reflect the effects of income taxes, as the Company has elected to be treated as a limited liability company for tax purposes; therefore, the Company's taxable income or loss is included in the income tax returns of the member.

Adoption of New Accounting Standards

From time to time, new accounting pronouncements are issued by the FASB or other standard setting bodies that are adopted by the Company as of the specified effective date. Unless otherwise discussed, the Company's management believes that the impact of recently issued standards that are not yet effective will not have a material impact on the Company's consolidated financial statements upon adoption.

In February 2016, the FASB issued ASU 2016-02, "Leases" (Topic 842), which requires lessees to recognize a right-of-use asset and a lease liability on the balance sheet for all leases with the exception of short-term leases. This ASU also requires disclosures to provide additional information about the amounts recorded in the financial statements. Effective December 27, 2021, Topic 842 was adopted using a modified retrospective approach, as discussed further in Footnote 7.

4. Property and Equipment, Net

At December 25, 2022 and December 26, 2021, property and equipment consists of the following:

	2022	2021
Furniture and office equipment	**$ 877,289**	$ 588,139
Leasehold improvements	**810,518**	458,661
Software	**171,092**	171,092
	1,858,890	1,217,892
Less accumulated depreciation	**(434,897)**	(292,912)
	$ 1,423,993	$ 924,980

5. Goodwill

The goodwill balance recorded on the accompanying balance sheet relates to amounts pushed down from the Parent in conjunction with the Acquisition, as described in Note 1.

Goodwill as of December 27, 2020	$ 30,069,380
Goodwill as of December 26, 2021	30,069,380
Goodwill as of December 25, 2022	**$ 30,069,380**

6. Related-Party Transactions

The Company is the owner and franchisor of the Chicken Salad Chick Brand and the related trademark. This trademark is also used by SSRG II, LLC, comprising of the company store operations business of the Parent. However, SSRG II, LLC is not required to pay royalty to the Company for use of the trademark and therefore no royalty fees from SSRG II, LLC are recognized on the Company's statement of operations.

The Company had amounts due from related parties that was recorded in due from related parties on the balance sheets. This intercompany balance relates to various expenses pushed down from the Parent as well as expenses paid on behalf of other subsidiaries by the Company.

6. Related-Party Transactions (continued)

One board member for the parent company, BA CSC Holdings, LLC, was a franchisee owning the rights to one franchise location in Rome, Georgia. In March 2022, SSRG II, LLC purchased this Rome location from the franchisee. The purchase included the building and land, as well as the store operations.

On January 23, 2022, SSRG II, LLC purchased three franchise stores in the Jacksonville market. These stores were previously managed by the Company.

In April 2022, the SSRG II, LLC purchased one store in Gainesville, Georgia from a franchisee.

7. Leases

Effective December 27, 2021, the Company adopted Topic 842 using a modified retrospective method. Under this transition method, the Company has not restated comparative periods, and prior comparative periods will continue to be reported in conformity with ASC 840. On December 27, 2021, based on the present value of the lease payments for the remaining lease term of the Company's existing leases, the Company recognized right-of-use (ROU) assets of $1.2 million and lease liabilities for operating leases of $1.8 million. At December 25, 2022, other assets include an ROU asset of $1.0 million, other current liabilities include operating lease liabilities – current of $0.3 million, and other non-current liabilities include lease liabilities – long-term of $1.2 million.

The Company leases buildings used for office space for the corporate office. Company's leases generally have remaining lease terms of one year to ten years, some of which include options to extend from one to five years or more. The exercise of lease renewal options is typically at the Company's sole discretion; however, the majority of renewals to extend the lease terms are not reasonably certain to exercise and are not included in ROU assets and lease liabilities. Lease modifications result in remeasurement of the lease liability as of the modification date.

For contracts entered into on or after the effective date or at the inception of a contract, the Company assessed whether the contract is, or contains, a lease. The assessment is based on: (1) whether the contract involves the use of a distinct identified asset, (2) whether the Company obtains the right to substantially all the economic benefit from the use of the asset throughout the period, and (3) whether the Company has the right to direct the use of the asset. The Company elected the package of practical expedients to not reassess prior conclusions related to contracts containing leases, lease classification and initial direct costs for all leases. Therefore, leases entered

7. Leases (continued)

into prior to December 27, 2021, are accounted for under the prior accounting standard and were not reassessed. The Company has also elected not to recognize ROU assets and lease liabilities for short-term leases that have a term of twelve months or less. The effect of short-term leases would not be material to the ROU assets and lease liabilities.

Under ASC 842, a Company discounts future lease obligations by the rate implicit in the contract, unless the rate cannot be readily determined. As most of the leases do not provide an implicit rate, the Company uses the risk-free discount rate in determining the present value of the lease payments.

Total lease costs for the year ended December 25, 2022 were $0.2 million included within general and administrative expenses on the consolidated statements of operations.

The supplementary cash and non-cash disclosures for the year ended December 25, 2022 are as follows:

	December 25, 2022
Operating lease cost (cost resulting from lease payments)	$ 229,953
Variable lease cost (cost excluded from lease payments)	5,115
Total lease cost	$ 235,068
Operating lease – operating cash flows (fixed payments)	303,577
Operating lease – operating cash flows (liability reduction)	280,258
New ROU assets – operating leases	1,246,746
Weighted average lease term	4.75 years
Weighted average discount rate	1.42%

7. Leases (continued)

Maturities of lease liabilities were as follows as of December 25, 2022:

2023	$	312,690
2024		322,070
2025		331,732
2026		341,684
2027		263,737
Thereafter		–
Total undiscounted lease payments		1,571,914
Present value discount adjustment		(52,163)
Lease liabilities	$	1,519,751

As previously disclosed in the year-ending December 26, 2021 financial statements and under the previous lease accounting, the Company leases several buildings with various lease agreements. Rent expense totaled $206,722 for the year ending December 26, 2021.

8. Share-Based Employee Compensation and Employee Benefit Plan

Share-Based Employee Compensation

BA CSC Holdings, LLC, granted incentive share-based payment awards (Class B Units) to employees of the Company under the 2019 Management Incentive Plan (the Plan), some of which have time-vesting, and performance-vesting (occurrence of a liquidity event) and market-vesting conditions (achievement of specified return on investment).

The Company generally recognizes compensation expense for time-vesting Class B Units on a straight-line basis over the requisite service period of five years. The Company recognizes the effect of forfeitures when they occur. The fair-value of these awards is determined using option pricing model. Compensation expense for other Class B Units awards is not recognized prior to the date that a Company liquidity event is consummated (performance condition is probable of being achieved).

The Company granted no Class B Units in the year ending December 25, 2022 and 80,000 Class B Units granted in the year ending December 26, 2021. As of December 25, 2022 and December 26, 2021, approximately 2,431,293 and 2,469,293 Class B Units were issued and outstanding, respectively.

8. Share-Based Employee Compensation and Employee Benefit Plan (continued)

Total share-based compensation expense was $0.5 million and $0.5 million for the years ended December 25, 2022 and December 26, 2021, respectively. Share-based compensation expense is included as a component of corporate overhead on the Company's consolidated statements of operations.

As of December 25, 2022, there was $3.3 million of total unrecognized compensation expense related to unvested Class B Units. The Compensation for the time vesting Class B Units is expected to be recognized over a weighted average period of 2.5 years.

Employee Benefit Plans

Defined Contribution Plan

During the year, the Company implemented the Chicken Salad Chick 401(k) Plan ("401(k) Plan") for eligible employees. The 401(k) Plan allows participants to make cash contributions from payroll deductions. Employees must be 18 years of age and employed for 6 months to become eligible to participate in the 401(K) Plan. The Company matches 100% of the first 3% of pay contributed by each eligible employee and 50% on the next 2% of pay contributed each pay period through cash contributions. For the year ended December 25, 2022, matching contributions totaled approximately $31,879, and is included in corporate overhead expenses on the statement of operations.

9. Subsequent Event

The Company evaluated subsequent events through April 24, 2023, the date the accompanying financial statements were available to be issued. There were no subsequent events that required recognition or disclosure.

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FINANCIAL STATEMENTS

Simply Southern Restaurant Group, LLC
Years Ended December 26, 2021 and December 27, 2020
With Report of Independent Auditors

Ernst & Young LLP

Simply Southern Restaurant Group, LLC

Financial Statements

Years Ended December 26, 2021 and December 27, 2020

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Report of Independent Auditors

The Board of Directors
Simply Southern Restaurant Group, LLC

Opinion

We have audited the financial statements of Simply Southern Restaurant Group, LLC (the Company), which comprise the balance sheets as of December 26, 2021 and December 27, 2020, and the related statements of operations, member's equity and cash flows for the years then ended, and the related notes (collectively referred to as the "financial statements").

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

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the 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 of 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 for one year after the date that the financial statements are available to be issued.

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Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of 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 audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Ernst & Young LLP

April 8, 2022

A member firm of Ernst & Young Global Limited

Simply Southern Restaurant Group, LLC

Balance Sheets

	December 26, 2021	December 27, 2020
Assets		
Current assets:		
Cash and cash equivalents	**$ 660,620**	$ 403,838
Royalties fees receivable	**267,043**	539,882
Other receivables	**213,839**	77,537
Prepaid expenses	**405,051**	190,635
Total current assets	**1,546,553**	1,211,892
Property and equipment, net	**924,980**	1,033,687
Other assets:		
Intangibles	**27,180,000**	27,180,000
Goodwill	**30,069,380**	30,069,380
Due from related parties	**1,726,071**	–
Total other assets	**58,975,451**	57,249,380
Total assets	**$ 61,446,984**	$ 59,494,959
Liabilities and member's equity		
Current liabilities:		
Accounts payable	**$ 200,232**	$ 278,391
Accrued payroll	**349,239**	310,764
Deferred revenues – current	**711,417**	622,500
Other accrued expenses	**1,669,891**	306,795
Total current liabilities	**2,930,779**	1,518,450
Long-term liabilities:		
Due to related parties	**–**	328,823
Deferred rent	**553,263**	–
Deferred revenues – long-term	**7,283,540**	7,028,750
Total long-term liabilities	**7,836,803**	7,357,573
Total liabilities	**10,767,582**	8,876,022
Member's equity:		
Contributed capital	**52,408,299**	51,956,814
Accumulated deficit	**(1,728,897)**	(1,337,878)
Total member's equity	**50,679,402**	50,618,936
Total liabilities and member's equity	**$ 61,446,984**	$ 59,494,959

See accompanying notes.

Simply Southern Restaurant Group, LLC

Statements of Operations

	Year Ended December 26, 2021	Year Ended December 27, 2020
Revenue:		
Area development agreement fees	**$ 361,667**	$ 192,083
Franchise agreement fees	**464,625**	416,750
Royalty fees	**9,155,383**	6,035,180
Total revenue	**9,981,675**	6,644,013
Operating expenses:		
General and Administrative	**10,566,855**	7,665,243
Depreciation	**219,113**	122,173
Gain on sale of property and equipment	**(413,274)**	–
Total operating expenses	**10,372,694**	7,787,416
Loss from operations	**(391,019)**	(1,143,403)
Other expense	**–**	(1,372)
Net loss	**$ (391,019)**	$ (1,144,775)

See accompanying notes.

Simply Southern Restaurant Group, LLC

Statements of Member's Equity

	Contributed Capital	Accumulated Deficit	Total Member's Equity
Balance at December 29, 2019	$ 51,693,448	$ (193,103)	$ 51,500,345
Stock-based compensation expense	263,366	–	263,366
Net loss	–	(1,144,775)	(1,144,775)
Balance at December 27, 2020	51,956,814	(1,337,878)	50,618,936
Stock-based compensation expense	**451,485**	**–**	**451,485**
Net loss	**–**	**(391,019)**	**(391,019)**
Balance at December 26, 2021	**$ 52,408,299**	**$ (1,728,897)**	**$ 50,679,402**

See accompanying notes.

Simply Southern Restaurant Group, LLC

Statements of Cash Flows

	Year Ended December 26, 2021	Year Ended December 27, 2020
Operating activities		
Net loss	**$ (391,019)**	$ (1,144,775)
Adjustments to reconcile net loss to net cash provided by (used for) operating activities:		
Depreciation	**219,113**	122,173
Measurement period adjustment to goodwill	**–**	18,939
Stock-based compensation expense	**451,485**	263,366
Gain on sale of property and equipment	**(413,274)**	
Change in royalties fees receivable	**272,839**	(342,218)
Change in other receivables	**(136,302)**	98,801
Change in prepaid expenses	**(214,416)**	(63,028)
Change in accounts payable	**(78,159)**	154,610
Change in accrued payroll	**38,475**	164,352
Change in deferred rent	**553,263**	–
Change in deferred revenues	**343,708**	406,167
Change in other accrued expenses	**1,363,096**	(429,842)
Net cash provided by (used for) operating activities	**2,008,809**	(751,455)
Investing activities		
Purchases of property and equipment	**(767,633)**	(209,302)
Sale of property and equipment	**1,070,500**	–
Net cash provided by (used for) investing activities	**302,867**	(209,302)
Financing activities		
Change in due to/from related parties	**(2,054,894)**	1,329,319
Net cash (used for) provided by financing activities	**(2,054,894)**	1,329,319
Change in cash and cash equivalents	**256,782**	368,562
Cash and cash equivalents at beginning of year	**403,838**	35,276
Cash and cash equivalents at end of year	**$ 660,620**	$ 403,838

See accompanying notes.

Simply Southern Restaurant Group, LLC

Notes to Financial Statements

Years Ended December 26, 2021 and December 27, 2020

1. Summary of Significant Accounting Policies

Nature of Operations

Simply Southern Restaurant Group, LLC (the Company), a single-member LLC, was organized under the laws of the state of Alabama on October 1, 2012, and is the owner and franchisor of the Chicken Salad Chick brand. The members' liability in the Company is limited to its membership interest in the Company. The Company is a direct, wholly owned subsidiary of SSRG Holdings, LLC (the Parent), a single-member LLC, organized under the laws of state of Georgia in May 2015. In 2019, BA CSC Holdings, LLC (BA CSC) was incorporated by investment funds affiliated with Brentwood Associates Private Equity. CSC Merger Sub, LLC (Merger Sub) was organized by BA CSC as its wholly owned subsidiary to acquire SSRG Holdings, LLC (the Parent). On November 4, 2019, pursuant to an agreement and plan of merger, Merger Sub merged with and into the Parent (the Acquisition). Following the Acquisition, the separate existence of Merger Sub ceased, and the Parent continued as the surviving limited liability company in the merger and as a wholly owned subsidiary of BA CSC. In addition to the Company, the Parent also has SSRG II, LLC and CSC Ad Funds, LLC as it wholly owned subsidiaries.

The Company is engaged in the growth, development, and branding of Chicken Salad Chick, a unique restaurant concept, primarily through corporate and franchise unit expansion across the United States. The nature of the Company's current business operations is to sell franchise units and provide support for its franchise owners who serve the customers of Chicken Salad Chick. The Company also sells restaurant decor and branded items to franchise owners.

As of December 26, 2021 and December 27, 2020, the Company had 150 and 129 franchised stores, respectively. The Company opened 23 new franchised stores and closed 2 franchised stores in 2021. The Company opened 30 new franchised stores, closed 2 franchises stores, and had 2 stores transferred from SSRG II, LLC to the Company in 2020.

2. Basis of Presentation

The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States (U.S. GAAP). The accompanying financial statements include the accounts of the Company.

Comprehensive loss for the years ended December 26, 2021 and December 27, 2020, was the same as the net loss reported on the statement of operations.

2. Basis of Presentation (continued)

Use of Estimates

The preparation of financial statements in accordance with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Reclassifications

Certain balances in the prior fiscal year have been reclassified to conform to the presentation adopted in the current year. Expense accounts within the consolidated statement of operations have been reclassified and consolidated in the current year presentation. All reclassifications are immaterial.

3. Summary of Significant Accounting Policies

Fiscal Year

The Company has a 52/53-week fiscal year that ends on the last Sunday in each calendar year. In a 52-week fiscal year, each fiscal quarter contains 13 weeks. In a 53-week fiscal year, the fourth fiscal quarter contains 14 weeks and the remaining quarters contain 13 weeks. Fiscal years 2021 and 2020 were 52-week years.

Application of Accounting Pronouncements

Pronouncements Not Yet Adopted

In February 2016, the Financial Accounting Standards Board (FASB) issued authoritative guidance on accounting for leases, Accounting Standards Codification (ASC) Topic 842, *Leases*. The new guidance requires the recognition of lease assets and lease liabilities by lessees for those leases classified as operating leases. As of the lease commencement date, a lessee is required to recognize a liability for its lease obligation (initially measured at the present value of the future lease payments not yet paid over the lease term) and an asset for its right to use the underlying asset equal to the lease liability, adjusted for lease payments made at or before lease commencement, lease incentives, and any initial direct costs. The new standard is effective for

3. Summary of Significant Accounting Policies (continued)

nonpublic companies in fiscal years beginning after December 15, 2021. Early adoption is permitted. While the Company has not yet completed its analysis of the impact of this guidance on its financial statements, the effect of adoption is not expected to be material as the Company does not have significant number of leases.

Additional recently issued accounting pronouncements by the FASB and other standards setting bodies were reviewed, and it was concluded that they are either not applicable to the Company's business or are expected to have an immaterial impact on the financial statements upon adoption.

Revenue Recognition

Area Development and Franchise Agreement Fees

Revenues from development fees associated with a franchisee's planned development of a specified number of restaurants within a defined geographic territory, franchise fees associated with the opening of new restaurants, renewal fees associated with the renewal of the franchise contract, and transfer fees associated with the transfer of franchise contracts. The Company has determined that development fees and franchise fees are not distinct from the continuing rights or services offered during the term of the franchise agreement and should be treated as a single performance obligation. Therefore, development fees and franchise fees received from franchisees are recognized as revenue over the term of each respective franchise agreement, which is typically ten years.

Royalty Fees

Revenues from franchise operations include royalty fees based on a percentage of restaurant sales. The franchise agreements generally require the franchisees to pay the Company a royalty of 5% of sales. The Company recognizes royalty revenues as earned upon sale of food and beverage products at the franchised restaurants.

Cash and Cash Equivalents

The Company considers all highly liquid instruments with maturities of three months or less at the time of purchase. The Company maintains cash on deposit with domestic financial institutions. In certain instances, cash on deposit exceeds federally insured limits.

3. Summary of Significant Accounting Policies (continued)

Royalties Fees Receivable

Royalties fees receivable consist of amounts due from franchisees related to royalties. At December 26, 2021 and December 27, 2020, royalties fees receivable was $0.3 million and $0.5 million, respectively. Allowance for doubtful accounts is recorded based on management's judgement regarding the Company's ability to collect as well as the age of the accounts receivable. As of December 26, 2021 and December 27, 2020, the Company considers accounts receivable to be fully collectible; accordingly, no material allowance for doubtful accounts has been recorded. The Company does not require collateral from franchisees.

Property and Equipment, Net

Property and equipment, net is stated at cost less accumulated depreciation. Depreciation and amortization are provided using the straight-line method over the estimated useful lives of the depreciable assets: 39 years for buildings; 5 to 10 years for equipment; 5 years for automobiles; 3 years for software; and in the case of leasehold improvements, the lesser of the useful life of the asset or the lease term (generally 5 to 15 years).

The Company evaluates property and equipment for impairment when circumstances arise indicating that a particular asset may be impaired. When facts and circumstances indicate that the carrying value of property and equipment may not be recoverable, management assesses the recoverability of the carrying value by comparing its expected future cash flows (undiscounted) with the carrying amount of these assets or asset group. Accordingly, an impairment loss is recognized if the carrying value of property and equipment is not recoverable and its carrying value exceeds its fair value. The Company did not record an impairment charge for the years ended December 26, 2021 and December 27, 2020.

Maintenance, repairs, and minor renovations are charged to operations as incurred. When property and equipment is retired or otherwise disposed of, the related costs and accumulated depreciation are removed from their respective accounts, and any gain or loss on the disposition is credited or charged to operations.

3. Summary of Significant Accounting Policies (continued)

Intangible

Intangibles relate primarily to the "Chicken Salad Chick" trade name. In connection with the Acquisition, the entire fair value of the Chicken Salad Chick trademark was pushed down from the Parent to the Company, as the Company is the owner and franchisor of the Chicken Salad Chick brand. The trademark is considered to have an indefinite life. The Company evaluates its trademark for impairment on an annual basis or more frequently if events or circumstances indicate the trademark might be impaired. The Company has the option to first perform a qualitative assessment for testing the trademark for impairment. If the Company concludes based on a qualitative assessment that it is not more likely than not that the fair value of the trademark is less than their carrying amount, it is then not required to perform the quantitative impairment assessment. If the Company concludes based on the qualitative assessment that it is more likely than not that the fair value of the trademark is less than their carrying value, then the Company performs a quantitative assessment. In 2021 and 2020, the Company elected to perform qualitative assessment. Based on the qualitative assessment performed in fiscal 2021 and 2020, the Company determined that its trademark was not impaired.

Goodwill

In connection with the Acquisition, the goodwill was pushed down from the Parent to the Company based on the relative fair values of the Company and Parent's company owned store operations. The Company evaluates goodwill for impairment on an annual basis as of beginning of its fourth quarter at the reporting unit level (only one reporting unit) or more frequently if events or circumstances indicate that assets might be impaired. The Company first performs a qualitative assessment for testing goodwill for impairment (qualitative assessment). If the Company concludes, based on the qualitative assessment, that it is more likely than not that the fair value of a reporting unit is less than its carrying amount, the Company performs the quantitative assessment. The Company typically uses discounted cash flow models to determine the fair value of the reporting unit under the quantitative assessment. The assumptions used in these models are consistent with those management believes hypothetical marketplace participants would use. The Company records a goodwill impairment loss if the carrying amount of the reporting unit exceeds its fair value. The goodwill impairment loss, if any, is measured as the amount by which the carrying amount of the reporting, including goodwill, exceeds its fair value. Based on the qualitative assessment performed as of the beginning of fourth quarter of 2021 and 2020, the Company determined that its goodwill was not impaired.

3. Summary of Significant Accounting Policies (continued)

Leases

When determining the lease term where the Company is a lessee, the Company considers option periods for which failure to renew the lease imposes a penalty on the Company in such an amount that renewal appears, at the inception of the lease, to be reasonably assured. Generally, the Company's leases do not impose such penalties, and accordingly, the lease term is typically equal to the remaining noncancelable term of the respective lease agreement. The Company records rent expense for leases that contain scheduled rent increases on a straight-line basis over the lease term, including the construction period and any option periods considered in the determination of that lease term. In addition, the Company may receive a tenant improvement allowance which is a lease incentive as defined in Accounting Standards Codification (ASC) Topic 840, *Leases*, and is recorded in deferred rent and amortized over the lease term as a reduction of rent expense.

Insurance

The Company carries property, general liability, fiduciary liability, and workers' compensation insurance policies. Under these programs, the Company retains a portion of the accident risk associated with workers' compensation, general liability, and property insurance in varying amounts up to $10,000 per occurrence that the Company believes are customary for businesses of its size and type. The Company also retains a portion of the risk associated with its employee health benefit plans. The Company has established liabilities with respect to its insurance and benefit programs based primarily on the actuarially estimated undiscounted cost of claims, including claims incurred but not reported. These liabilities are presented within accrued liabilities on the accompanying balance sheet.

Pursuant to the terms of their franchise agreements, the Company's franchisees are also required to maintain certain types and levels of insurance coverage, including commercial general liability insurance, workers' compensation insurance, all risk property, and automobile insurance.

Income Taxes

The accompanying financial statements do not reflect the effects of income taxes, as the Company has elected to be treated as a limited liability company for tax purposes; therefore, the Company's taxable income or loss is included in the income tax returns of the member.

4. Property and Equipment, Net

At December 26, 2021 and December 27, 2020, property and equipment consists of the following:

	2021	2020
Buildings	**$ –**	$ 529,900
Furniture and office equipment	**588,139**	292,400
Leasehold improvements	**458,661**	69,010
Automobiles	**–**	27,563
Software	**171,092**	171,092
Construction in progress	**–**	80,969
	1,217,892	1,170,934
Less accumulated depreciation	**(292,912)**	(137,247)
	$ 924,980	$ 1,033,687

Depreciation expense for the years ended December 26, 2021 and December 27, 2020, was $219,113 and $122,173, respectively.

5. Goodwill

The goodwill balance recorded on the accompanying balance sheet relates to amounts pushed down from the Parent in conjunction with the Acquisition, as described in Note 1.

Goodwill as of December 29, 2019	$ 30,088,319
Measurement period adjustment	(18,939)
Goodwill as of December 27, 2020	30,069,380
Goodwill as of December 26, 2021	**$ 30,069,380**

6. Related-Party Transactions

The Company is the owner and franchisor of the Chicken Salad Chick Brand and the related trademark. This trademark is also used by SSRG II, LLC, comprising of the company store operations business of the Parent. However, SSRG II, LLC is currently not required to pay royalty to the Company and therefore no royalty fees from SSRG II, LLC are recognized on the Company's statement of operations.

The Company had amounts due from (to) related parties of $1,726,071 and $(328,823) for the years ended December 26, 2021 and December 27, 2020, respectively. This intercompany balance relates to various expenses pushed down from the Parent as well as expenses paid on behalf of other subsidiaries by the Company.

In October 2020, two corporate stores in the St. Louis area were sold to a franchisee.

One board member for the parent company, BA CSC Holdings, LLC, is a franchisee owning the rights to one franchise location in Rome, Georgia. Subsequent to year-end, SSRG II purchased this Rome location from the franchisee. The purchase included the building and land, as well as the store operations.

8. Lease Commitments

The Company leases its headquarters in Atlanta, GA. Rent expense totaled $206,722 and $0 for the years ended December 26, 2021 and December 27, 2020, respectively. The future minimum rental payments required under the lease agreements for the next five years, thereafter, and in the aggregate are as follows:

2022	$ 277,870.00
2023	312,690.00
2024	322,117.00
2025	331,767.00
2026	341,730.00
Thereafter	263,797.00
	$ 1,849,971.00

7. Subsequent Event

The Company evaluated subsequent events through April 8, 2022, the date the accompanying financial statements were available to be issued. There were no subsequent events that required recognition or disclosure.

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EXHIBIT D

TECHNOLOGY EQUIPMENT AND SOFTWARE REQUIREMENTS

Brand and Type of Hardware and Software	Principal Functions	How Used in Restaurant franchise Owner's Business	Types of Information or Data Collected
Multifunction Printer/scanner/copier	Reports and letters	Printing cleaning reports and letters	Reports, forms and letters
Computer Minimum Requirements: • Processor Intel® Core i5-2400 (3.1 GHz, 6 MB Cache) • Memory 8GB RAM • Hard Drive -512GB • Power Protection and back-up-APC Back-UPS ES 750 VA 120 V UPS system	Report processing and database application	Run all software discussed in this project	
PC or Laptop with currently supported versions of Microsoft or Mac OS, including regularly updated security patches and updates from either Microsoft or Apple.	Operating System	Run all PC based software discussed in this document	
Microsoft® Office: to include Word, PowerPoint, Excel, Sharepoint, and Outlook versions 2016 or later and must be upgraded as needed to maintain compatibility with Franchisor and updated with security patches as released by Microsoft from time to time.	Word processing, spreadsheet, PowerPoint presentations, etc. Email, Calendar, Contacts	Direct mail program, correspondence, financial modeling, templates for Chicken Salad Chick. Access email, organize client and contact lists.	Letters, financial data, restaurant forms. Email, files, etc.

Brand and Type of Hardware and Software	Principal Functions	How Used in Restaurant franchise Owner's Business	Types of Information or Data Collected
High Speed Internet required. Internet Service Provider (ISP) Minimum 50 MB download speed and 10 MB upload speed	Allows access to the internet	Required to access e-mail, video training, back office, and other online systems including Chicken Salad Chick and Franchise Owner website	E-mail, file transfers, general news, library, technical support, software upgrades
Google Chrome (strongly suggested), Microsoft Edge, or Safari (Mac) or similar as may be required to support internet sites required by vendors and partners. All browsers must include security updates released from time to time by the manufacturer	Internet browser	Required to view Chicken Salad Chick site, Back Office Tools, web email box, and credit card processor sites to review settlements.	
Accounting software package that supports the approved reporting formats and chart of accounts	Accounting software	Invoice jobs, pay vendors, run payroll, job costing, financial statements	Control financial activity of business
Sophos, Norton Antivirus, McAfee, Trend Micro, or similar approved provider, with all current signatures and patches for any computer attached to the Restaurant network at anytime	Computer protection	Identify & purge virus, block intrusions	

Brand and Type of Hardware and Software	Principal Functions	How Used in Restaurant franchise Owner's Business	Types of Information or Data Collected
Retail Technology: Install and maintain the designated Retail Technology system standards which may be changed from time to time. Currently: NCR Silver Pro POS OLO online ordering Craving Credits Loyalty Altametric/eRestaurant Back Office Mako Network Security and Control JOLT Labeling System	Guest order and payment processing. Provides capability for managing inventory, purchasing, operational reports, labor, Guest loyalty and mobile/web ordering etc. Food labeling software	Support all Guests' Interactions and administrative tasks.	All transaction details.
Security Surveillance System IP Based cameras and digital DVR with remote storage and viewing capability. Minimum Storage: must be adequate to maintain 30 days of video history	Surveillance of business	View cameras to ensure process compliance, Guest awareness, and business security	
Music system SiriusXM or other approved system	Guest Entertainment	Approved music channels required	
Drive Thru Locations: Must install an approved drive thru timer system.	Measure drive thru efficiencies.	Monitor and manage drive thru flow and speed of service.	Car counts and service times in drive thru.

Brand and Type of Hardware and Software	Principal Functions	How Used in Restaurant franchise Owner's Business	Types of Information or Data Collected
Network and POS Installation Standards: All stores are required to use an approved network and POS installer. All stores are also required to follow all specifications as to equipment, network layout/footprint, set up, configuration, etc.	Maintain a standard and consistent network footprint in all locations.	To establish a standard and consistent internal network for POS.	
3rd Party Delivery: all stores must participate in approved 3rd party delivery program as designated by Chicken Salad Chick.	Provide services for online ordering.	Used in conjunction with online ordering platform.	Sales, customer data, and other analytics as needed.

EXHIBIT E

STATE AGENCIES

STATE AGENCIES/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.

If a state is not listed, we have not appointed an agent for service of process in that state in connection with the requirements of the franchise laws. There may be states in addition to those listed below in which we have appointed an agent for service of process.

There also may be additional agents appointed in some of the states listed.

CALIFORNIA

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

Los Angeles

Suite 750
320 West 4th Street
Los Angeles, California 90013-2344
(213) 576-7500

Sacramento

2101 Arena Boulevard
Sacramento, California 95834
(866) 275-2677

San Diego

1350 Front Street, Rm. 2034
San Diego, California 92101-3697
(619) 525-4233

San Francisco

One Sansome Street, Suite 600
San Francisco, California 94104-4428
(415) 972-8559

HAWAII

(for service of process)

Commissioner of Securities
Department of Commerce
and Consumer Affairs
Business Registration Division
335 Merchant Street, Room 203
Honolulu, Hawaii 96813
(808) 586-2722

(for other matters)

Commissioner of Securities
Department of Commerce
and Consumer Affairs
Business Registration Division
335 Merchant Street, Room 205
Honolulu, Hawaii 96813
(808) 586-2722

ILLINOIS

Illinois Attorney General
500 South Second Street
Springfield, Illinois 62706
(217) 782-4465

INDIANA

(for service of process)

Indiana Secretary of State
201 State House
200 West Washington Street
Indianapolis, Indiana 46204
(317) 232-6531

(state agency)

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

MARYLAND

(for service of process)

Maryland Securities Commissioner
at the Office of Attorney General-
Securities Division
200 St. Paul Place
Baltimore, Maryland 21202-2021
(410) 576-6360

(state agency)

Office of the Attorney General-
Securities Division
200 St. Paul Place
Baltimore, Maryland 21202-2021
(410) 576-6360

MICHIGAN

Michigan Attorney General's Office
Consumer Protection Division
Attn: Franchise Section
G. Mennen Williams Building, 1st Floor
525 West Ottawa Street
Lansing, Michigan 48933
(517) 335-7567

MINNESOTA

Commissioner of Commerce
Department of Commerce
85 7th Place East, Suite 280
St. Paul, Minnesota 55101
(651) 539-1500

NEW YORK

(for service of process)

Attention: New York Secretary of State
New York Department of State
One Commerce Plaza,
99 Washington Avenue, 6th Floor
Albany, New York 12231-0001
(518) 473-2492

(Administrator)

NYS Department of Law
Investor Protection Bureau
28 Liberty Street, 21st Floor
New York, New York 10005
(212) 416-8236 (Phone)

NORTH DAKOTA

(for service of process)

Securities Commissioner
North Dakota Securities Department
600 East Boulevard Avenue, Suite 414
Bismarck, North Dakota 58505
(701) 328-4712

(state agency)

North Dakota Securities Department
600 East Boulevard Avenue, Suite 414
Bismarck, North Dakota 58505
(701) 328-2910

OREGON

Oregon Division of Financial Regulation
350 Winter Street NE, Suite 410
Salem, Oregon 97301
(503) 378-4140

RHODE ISLAND

Securities Division
Department of Business Regulations
1511 Pontiac Avenue
John O. Pastore Complex-Building 69-1
Cranston, Rhode Island 02920
(401) 462-9500

SOUTH DAKOTA

Division of Insurance
Securities Regulation
124 S. Euclid, Suite 104
Pierre, South Dakota 57501
(605) 773-3563

VIRGINIA

(for service of process)

Clerk, State Corporation Commission
1300 East Main Street
First Floor
Richmond, Virginia 23219
(804) 371-9733

(for other matters)

State Corporation Commission
Division of Securities and Retail Franchising
Tyler Building, 9th Floor
1300 East Main Street
Richmond, Virginia 23219
(804) 371-9051

WASHINGTON

(for service of process)

Director Department of Financial Institutions
Securities Division
150 Israel Road SW
Tumwater, Washington 98501
(360) 902-8760

(for other matters)

Department of Financial Institutions
Securities Division
P. O. Box 9033
Olympia, Washington 98501-9033
(360) 902-8760

WISCONSIN

(for service of process)

Administrator, Division of Securities
Department of Financial Institutions
4822 Madison Yards Way, North Tower
Madison, Wisconsin 53705
(608) 266-2139

(state administrator)

Division of Securities
Department of Financial Institutions
4822 Madison Yards Way, North Tower
Madison, Wisconsin 53705
(608) 266-9555

EXHIBIT F

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EXHIBIT G

LISTS OF CURRENT FRANCHISEES / DEPARTED FRANCHISEES

Exhibit G

List of Current Franchisees

Alabama

HMHM, LLC
1802 US Hwy 98, Ste. F
Daphne, AL 36526
(251) 625-1092

Wishbone Group, Inc.
3850 West Main Street Unit 402
Dothan, AL 36305
(334) 699-3800

Wishbone Group, Inc.
906 Boll Weevil Circle, Ste. C
Enterprise, AL 36330
(334) 417-0096

The Hollar Company, Inc.
2012 Rainbow Drive
Gadsden, AL 35901
(256) 952-2625

Bayside Jubilee, LLC
160 Cotton Creek Drive, Unit 290
Gulf Shores, AL 36542
(251) 240-0058

HMHM, LLC
2370 Hillcrest Road, Unit R
Mobile, AL 36695
(251) 660-0501

HMHM, LLC
5753 Old Shell Road
Mobile, AL 36608
(251) 408-3236

Surechick Alabama, LLC
3070 Zelda Road
Montgomery, AL 36106
(334) 517-1378

Surechick Alabama, LLC
7924 Vaughn Road
Montgomery, AL 36116
(334) 649-4828

Wishbone Group, Inc.
80 McFarland Blvd. Unit 12
Northport, AL 35476
(205) 409-8635

Big Bayou, LLC
860 Industrial Pkwy., Suite J
Saraland, AL 3657`
(251) 732-8158

Surechick Alabama, LLC
588 Pinnacle Place
Prattville, AL 36066
(334) 285-3729

The Wishbone Group, Inc.
1113 US Hwy. 231 S, Ste. C
Troy, AL 36081
(334) 770-0545

The Wishbone Group, Inc
1800 McFarland Blvd. Unit 308
Tuscaloosa, AL 35404
(205) 462-3594

Arkansas

Little Rocking Chick, LLC*
20370 1-30 North, Ste. 101
Benton, AR 72019
(501) 794-6190

Central Chick, LLC
2235 Dave Ward Drive
Conway, AR 72034
(501) 710-6677

Woo Pig Chick, LLC*
352 E. Joyce Blvd. Ste. 5
Fayetteville, AR 72703
(479) 301-2332

NEA Chick, LLC
2821 Parkwood Road
Jonesboro, AR 72401
(870) 336-5678

(*) notes franchise owners who are parties to an ADA.

Little Rocking Chick, LLC*
17400 Chenal Parkway. Ste. #100
Little Rock, AR 72223
(847) 331- 8539

Little Rocking Chick, LLC*
3901 Warden Rd. Ste. A
North Little Rock, AR 72116
(501) 747-1512

Florida

Manasota Chick, LLC*
5434 Lockwood Ridge.
Bradenton, FL 34203
(941) 739-6020

Tampa Bay CSC, LLC*
965 E Bloomingdale Ave
Brandon, FL 33511
(813) 654-0007

Rogers Group, LLC*
2908 North University Drive
Coral Springs, FL 33065
(954) 775-0006

PCB Chick, LLC
36150 Emerald Coast Pkwy, Unit 111
Destin, FL 32541
(850) 460-2888

P Squared Ventures, LLC*
10151 Estero Town Commons Pl.
Unit #201
Estero, FL 33928
(239) 790- 7108

P Squared Ventures, LLC*
7925 Dani Drive Ste. #100
Ft. Myers, FL 33966
(239) 744- 3023

KBR Corp.*
4062 Plaza Blvd.
Suite #20
Gainesville, FL 32608
(352) 451-4845

Sprezzatura, LLC
1101 International Pkwy. Unit 1511
Heathrow, FL 32746
(407) 942-3307

Tampa Bay CSC, LLC* (new store)
25038 Wesley Chapel Blvd.
Lutz, FL 33559
(813) 970-0100

Tampa Bay CSC, LLC*
17623 Dale Mabry Hwy
Lutz, FL 33548
(813) 488-1575

Osborn CSC Group, LLC
4720 SW College Rd.
Ocala, FL 34474
(352) 652-4425

Trinity Holdings, LLC
12096 State Rd 54
Odessa, FL 33556
(727) 685-3888

TAB Holdings, LLC*
11587 Regency Village Dr.
Orlando, FL 32809
(407) 499-0981

Sprezzatura, LLC
75 N Nova Rd.
Ormond Beach, FL 32174
(386) 671-2160

Simply Southern Pinellas Group, LLC*
35267 US Hwy 19 N.
Palm Harbor, FL 34684
(727) 754-8185

PCB Chick, LLC
560 Hawkins Ave.
Panama City, FL 32405
(850) 252-6262

PCB Chick, LLC
100 Bluefish Drive, Ste. 103
Panama City Beach, FL 32413
(850) 233-3134

(*) notes franchise owners who are parties to an ADA.

Pensacola Chick, LLC
5050 Bayou Boulevard
Pensacola, FL 32503
(850) 542-4214

Sprezzatura, LLC
1760 Dunlawton Ave. #104
Port Orange, FL 32127
(386) 265-5250

Simply Southern Pinellas Group, LLC*
7839 113th St. N. Ste. A
Seminole, FL 33772
(727) 319-2905

Surechick Coastal, LLC
1000-9 S Ponce de Leon Blvd.
St. Augustine, FL 32084
(904) 547-2369

Simply Southern Pinellas Group, LLC*
1221 4th Street, N.
St. Petersburg, FL 33701
(727) 685-3322

St. George Hospitality, LLC
1410 Market St. Ste. D3
Tallahassee, FL 32312
(850) 894-2502

St. George Hospitality, LLC
1496 Apalachee Parkway, Unit 14
Tallahassee, FL 32301
(850) 402-0653

Tampa Bay CSC, LLC*
4050 West Kennedy
Tampa, FL 33609
(813) 515-5600

Tampa Bay CSC, LLC*
2790 East Fowler Ave. Ste. 490
Tampa, FL 33612
(813) 910-4300

KBR Corp.*
12792 Forest Hill Boulevard
Wellington, FL 33414
(561) 508-6344

Osborn CSC Group, LLC
996 Bichara Blvd.
The Villages, FL 32159
(352) 775-9379

Georgia

Surechick, LLC
2416 Dawson Rd. Ste. 1 & 2
Albany, GA 31707
(229) 255-3366

RLM Restaurant Group, LLC *
1765 Hwy 27 South
Carrollton, GA 30117
(678) 664-0555

Wiggins Interests, LLC
200 N. Dixie Ave.
Cartersville, GA 30120
(678) 719-0875

Surechick Columbus, LLC*
2511 Airport Thruway, Space C
Columbus, GA 31904
(706) 507-1611

2B Continued, LLC
1509 Lafayette Parkway
Suite A
LaGrange, GA 30241
(706) 739-7043

RLM Restaurant Group, LLC
1676 Bass Rd.
Macon, GA 31210
(478) 259-4494

The Three Chicks, LLC
4101 Roswell Rd. Ste. 811
Marietta, GA 30062
(770) 565-3985

Surechick Columbus, LLC*
6517 Kitten Lake Drive Ste. W-6
Midland, GA 31820
(706) 221-2086

RLM Restaurant Group, LLC*
214 Newnan Crossing Bypass
Newnan, GA 30265
(770) 683-2696

(*) notes franchise owners who are parties to an ADA.

Pooler Chick, LLC
155 Traders Way, Ste. 300
Pooler, GA 31322
(912) 348-3389

Savannah Chick, LLC
7400 Abercorn St. Ste. 512
Savannah, GA 311406
(912) 200-5286

Statesboro Chick, LLC
430 Northside Drive East, Ste. 174
Statesboro, GA 30458
(912) 623-0055

KBR Corp.
2551 East Pinetree Boulevard
Unit #255
Thomasville, GA 31792
(229) 515-8167

Poppy, LLC
2202 US Highway 41 North
Tifton, GA 31794
(229) 472-8300

RLM Restaurant Group, LLC
4088 Watson Blvd. Ste. 600
Warner Robins, GA 31093
(478) 333-3592

Potter, LLC
3219 B North Oak Street Extension
Valdosta, GA 31605
(229) 469-7017

Illinois

DLH Chicken Salad EP, LLC*
412 W. Washington St.
East Peoria, IL 61611
(309) 839-2396

S&J Restaurants, LLC
2323 Plum Street Ste. 300
Edwardsville, IL 62025
(618) 650-9018

Blake Restaurants, LLC
1128 Merchants Way
Suite #310
O'Fallon, IL 62269
(618)206-6191

Indiana

EMS Chick, LLC*
1414 Hirschland Road
Evansville, IN 47715
(812) 401-2770

Derby City Chicks, LLC*
1520 Veterans Pkwy.
Jeffersonville, IN 47130
(812) 590-1524

Kentucky

Surechick Kentucky, LLC*
12009 Shelbyville Rd.
Louisville, KY 40243
(502) 653-7634

Bluegrass Chick, LLC*
254 E Brannon Rd
Nicholasville, KY 40356
(859) 273-4000

EMS Chick, LLC*
2596 Calumet Trace
Owensboro, KY 42303
(270) 713-0292

TKAB Chick, LLC*
2670 New Holt Road
Suite #240
Paducah, KY 42001
(270) 557-2442

Louisiana

CSC Alexandria, LLC
1024 MacArthur Drive
Alexandria, LA 71303
(318) 545-4646

PN&A Foodservice, LLC*
801 Frogmore Dr
Baton Rouge, LA 70820
(225) 478-5050

(*) notes franchise owners who are parties to an ADA.

Sami R Investments, LLC*
3107 Airline Drive Ste. 400
Bossier City, LA 71111
(318) 636-8051

PN&A Foodservice, LLC*
27306 Crossing Circle Ste. 270
Denham Springs, LA 70726
(225) 243-7524

PN&A Foodservice, LLC*
503 West Highway 30
Suite A
Gonzales, LA 70737
(225) 425-3744

PN&A Foodservice, LLC*
101 Saloom Farm Rd. Ste. 101
Lafayette, LA 70508
(337) 983-2350

CC Chick, LLC*
3723 Nelson Rd. Ste. #700
Lake Charles, LA 70605
(337) 333- 2442

Cojak Holdings, LLC
3803 Hwy 22
Mandeville, LA 70471
(985) 778-2670

2 Chicks and a Magnet, LLC
1191 Lamy Lane, Ste. 7
Monroe, LA 71201
(318) 322-4425

2 Chicks and a Magnet, LLC
1301 Maxwell Blvd.
Ruston, LA 71270
(318) 232-0003

Sami R. Investments, LLC*
6535 Youree Drive
Shreveport, LA 71105
(318) 524-9960

Crescent City Chicks, LLC*
1522 Gause Boulevard
Slidell, LA 70458
(985) 259-7800

Mississippi

S&R Poultry, LLC
3821 Promenade Pkwy Ste. G
D'Iberville, MS 39540
(228) 280-8081

Taste & C, LLC*
1720 Old Fannin Rd.
Flowood, MS 39232
(769) 257-7092

S&R Poultry, LLC
10490 Hwy. 49
Gulfport, MS 39503
(228) 831-5135

Taste & C, LLC*
3002 Hardy St. Ste. 160
Hattiesburg, MS 39401
(769) 390-7050

Taste & C, LLC*
1914 Main Street Ste. B
Madison, MS 39110
(601) 707-7670

Yessam, LLC
1305 Merchants Dr. Ste. 237
Oxford, MS 38655
(662) 380-5582

Yessam, LLC
3581 N Gloster St
Suite A
Tupelo, MS 38804
(662) 269-3265

HP Restaurant Group, LLC
602 Hwy 12
Starkville, MS 39759

Missouri

Family Brands, Inc.*
17215 Chesterfield Airport Rd
Chesterfield, MO 63005
(636) 778-9452

(*) notes franchise owners who are parties to an ADA.

Family Brands, LLC*
300 Brickton Rd.
Columbia, MO 65201
(573) 507- 6257

Chicks R Us, LLC* (new store)
1322 East Battlefield Rd.
Springfield, MO 65804
(417) 450- 4816

Family Brands, Inc.*
12536 Olive Blvd
Suite A
St. Louis, MO 63141
(314) 548-2141

North Carolina

S&S of Raleigh, LLC*
302 Colonades Way Ste. 202
Cary, NC 27518
(984) 200-9546

Sing Bev Hospitality, LLC*
9516 Riverbend Village Drive Ste. J5
Charlotte, NC 28216
(980) 218-9537

Ashglen, Inc.
2114 Freeman Park Dr. Ste. #115
Charlotte, NC 28273
(980) 771-0565

Sing Bev Hospitality, LLC*
7617 C Pineville-Matthews Rd
Charlotte, NC 28226
(980) 938-8482

Piedmont Restaurant Group, LLC*
3455 Gentry Ln.
Clemmons, NC 27012
(336) 997- 9601

Cardez Hospitality, LLC*
8915 Christenbury Pkwy. Ste. 40
Concord, NC 28027
(704) 951-7323

NC Chick, LLC*
2811 Reaford Rd.
Fayetteville, NC 28303
(910) 920- 2234

Sing Bev Hospitality, LLC*
1310 Westover Terrace Ste. 107
Greensboro, NC 27408
(336) 663-8588

Piedmont Restaurant Group, LLC*
4117 Brian Jordan Place Ste. 101
High Point, NC 27265
(336) 307-4061

3 Dennis Chicks, LLC*
2233 Matthews Township Pkwy. Ste. G
Matthews, NC 28105
(980) 339-7700

Coastal Chicks, LLC
1131 A Military Cut Off Road
Wilmington, NC 28405
(910) 679-8126

Ohio

Ready To Serve, LLC
6209 Snider Rd.
Mason, OH 45040
(513) 466-8008

Buckeye Chick, LLC*
687 Worthington Rd.
Westerville, OH 43082
(614) 394-8111

South Carolina

SingBev Hospitality, LLC*
1708 E. Greenville Street
Anderson, SC 29621
(864) 844-9084

Bluffton Chick, LLC
20 Discovery Drive
Bluffton, SC 29910
(843) 949-4030

(*) notes franchise owners who are parties to an ADA.

Sing Bev Hospitality, LLC*
252-Z Harbison Blvd.
Columbia, SC 29212
(803) 550-9050

Sing Bev Hospitality, LLC*
5709 Calhoun Memorial Pkwy.
Easley, SC 29642
(864) 442-5750

Sing Bev Hospitality, LLC*
2222 Augusta Street
Unit 6
Greenville, SC 29605
(864) 451-7790

Sing Bev Hospitality, LLC*
15 Garlington Rd. Ste. 100
Greenville, SC 29615
(864) 603-3737

Sing Bev Hospitality, LLC*
3604 Pelham Rd. Unit D
Greenville, SC 29615
(864) 603-3600

Sing Bev Hospitality, LLC*
5135 Sunset Blvd. Ste. A
Lexington, SC 29072
(803) 356-0146

Sing Bev Hospitality, LLC*
280 West Coleman Blvd. Ste. F&G
Mt. Pleasant, SC 29464
(843) 352-2130

SingBev Hospitality, LLC*
760 Herlong Avenue
Rock Hill, SC 29464
(803) 721-5353

Sing Bev Hospitality, LLC*
449 E Main St. Ste. E
Spartanburg, SC 29302
(864) 205-2812

Sing Bev Hospitality, LLC*
214 Azalea Blvd. Ste. G
Summerville, SC 29483
(843) 832-6968

Tennessee

Tricities Chick, LLC*
212 Stevens Trail
Bristol, TN 37620
(423) 573-1018

Volunteer Restaurant Concepts, LLC
1820 Gunbarrel Rd. Ste. 200
Chattanooga, TN 37421
(423) 468-3729

Cookville Chick, LLC
250 Paul Huff Pkwy NW
Cleveland, TN 37312
(423) 790-0570

Cleveland Chick, LLC
1265 Interstate Drive
Ste. 205
Cookeville, TN 38501
(931) 651-2530

Volunteer Restaurant Concepts, LLC
5100 Hixson Pike
Hixson, TN 37343
(423) 668-0098

Tricities Chick, LLC *
2013 North Roan Street
Johnson City, TN 37601
(423) 380-1808

Volunteer Restaurant Concepts, LLC
8008 Kingston Pike
Knoxville, TN 37919
(865) 357-1587

Volunteer Restaurant Concepts, LLC
726 Watkins Road
Maryville, TN 37801
(856) 357-1587

Volunteer Restaurant Concepts, LLC
1281 Oak Ridge Turnpike
Oak Ridge, TN 37830
(865) 270-5235

(*) notes franchise owners who are parties to an ADA.

Texas

MetroPlex CSC, LLC*
3900 Arlington Highlands Blvd. Ste. 101
Arlington, TX 76018
(682) 410-0440

Hazel 5 Ventures, LLC*
264 SE John Jones Drive
Burleson, TX 76028
(817) 857-8505

Cajun Opportunity, LLC
11655 FM 2154 Ste. 400
College Station, TX 77845
(979) 704-5209

Cojak Enterprises, LLC*
3026 College Park Ste. A
Conroe, TX 77384
(936) 224-7959

J & M Hospitality, LLC
8825 Tehama Ridge Pkwy. Ste. 329
Fort Worth, TX 76177
(817) 857-8501

J&M Hospitality, LLC
6124 Camp Bowie Blvd.
Ft. Worth, TX 76116
(817) 857-8507

J&M Hospitality, LLC
501 Carroll St. Ste. 658
Fort Worth, TX 76107
(817) 857-8509

Cojak Enterprises, LLC*
10300 Louetta Rd
Houston, TX 77070
(346) 808-5971

Houston CSC, LLC*
5310 Weslayan St.
Houston, TX 770005
(832) 831-0062

J&M Hospitality, LLC
520 Grapevine Hwy. Ste. 500
Hurst, TX 76054
(817) 857-8503

MetroPlex CSC, LLC*
3341 Regent Blvd
Suite 100
Irving, TX 75063
(469) 677-0020

Houston CSC, LLC*
21788 Katy Freeway Ste. 900
Katy, TX 77449
(832) 391-6647

Houston CSC, LLC*
9615 Spring Green Blvd. Ste. 100
Katy, TX 77494
(281) 396-4996

Cojak Investments, LLC*
30129 Rock Creek Drive
Kingwood, TX 77339
(281) 801-8800

MetroPlex CSC, LLC*
3520 W University Dr
McKinney, TX 75071
(214) 856-3908

Hazel 5 Ventures, LLC*
2020 FM663
Suite #310
Midlothian TX 76065
(817) 857-8504

H7 Eats, LLC*
15409 Crenshaw Rd.
Pasadena, TX 77505
(832) 737- 5702

H7 Eats, LLC*
2110 Pearland Pkwy Ste. 108
Pearland, TX 77581
(832) 737-5701

Cojak Investments, LLC*
4161 Riley Fuzzel Road Ste. 100
Spring, TX 77386
(346) 331-2174
Cojak Enterprises, LLC
21630 Kuykendahl Rd.
Ste. 400
Spring, TX 77388
(346) 230-1820

(*) notes franchise owners who are parties to an ADA.

Cojak Investments, LLC*
14030 FM 2920 Rd
Tomball, TX 77377
(832) 761-7858

H3Y Chick Enterprises, LLC*
1509 Hewitt Drive Side B
Waco, TX 76712
(254) 300-4788

H7 Eats, LLC
101 Winding Way Ste. E
Lake Jackson, TX 77566
(832) 536-8539

Virginia

Piedmont Restaurant Group, LLC*
2575 Market Street NE
Christiansburg, VA 24073
(540) 269-5408

Providence Restaurant Group, LLC
9631 West Broad St.
Glen Allen, VA 23060
(804) 912-1630

Grateful Lady, LLC*
2850 Kilgore Avenue
Hampton, VA 23666
(757) 209-0084

Providence Restaurant Group, LLC
6575 Mechanicsville Turnpike Ste. 1A
Mechanicsville, VA 23111
(804) 723-4789

Piedmont Restaurant Group, LLC*
4340 Electric Road
Roanoke, VA 24108
(540) 900-3960

(*) notes franchise owners who are parties to an ADA.

List of Franchisees Who Left the System

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

Franchisees with a Closed Unit in 2022

Chicklahoma, LLC
Molly McGill
4 closed locations in Oklahoma: Broken Arrow, Edmond, Nichols Hills and Tulsa
(334) 655-0066

Franchisees who Transferred their Units in 2022

72 Hours, LLC
Mike Bradbury & Sharon Etchison
1 transferred location: Fayetteville, AR
(847) 772-6181

RJP Concepts, LLC
Lee and Mary Lisa Anderson
2 transferred locations: Christianburg, VA and Roanoke, VA
(850) 630-5161

Franchisees whose Units Were Acquired by our Affiliate, SSRG II, LLC

The Wishbone Group, LLC
Rebecca Roland and Dr. Richard Meadows
3 acquired locations, all in Jacksonville, FL
(334) 796-3870

Wiggins Interests, LLC
Bob Wiggins
1 acquired location: Gainesville, GA
(770) 655-1090

KQC, LLC
Stacy Brown
1 acquired location: Rome, GA
(334) 750-8995

(*) notes franchise owners who are parties to an ADA.

EXHIBIT G-1

FRANCHISE AGREEMENTS SIGNED BUT OUTLETS NOT YET OPEN

EXHIBIT G-1

FRANCHISE AGREEMENTS SIGNED BUT OUTLETS NOT YET OPEN

ALABAMA

Surechick Alabama, LLC
2424 Averett Drive
Alabaster, AL
(706) 566-1905

Point Clear Chick, LLC*
19690 Greeno Rd.
Fairhope, AL 36532
(251) 406-1430

ARKANSAS

H&L Chick, LLC
PO Box 17021
Jonesboro, AR 72403
(251) 583-8838

COLORADO

Why not Chicks1, LLC
5660 Barnes Rd., Unit #108
Colorado Springs, CO 80917
(850) 867- 1815

Mile High McChick, LLC
933 S. Ivy Street
Denver, CO 80224
(720) 313- 6811

NOCO Chick, LLC
4144 24TH Street Road, Ste. #2B
Greely, CO 80634
(970) 616-0039

FLORIDA

CSC Hernando, LLC
13659 Tundra Dr.
Brooksville, FL 34613
(352) 716-1400

Gulf State Management, LLC
10793 Christopher Ct.
Largo, FL 33774
(727) 365-9686

Brown Bag Chick, LLC
3203 Wing Song Ct.
Melbourne, FL 32934
(321) 604-7294

Brevard Chicks, LLC
3203 Wing Song Ct.
Melbourne, FL 32934
(321) 604-7294

P Squared Ventures, LLC
1799 Tamiami Trail, Ste. #104
Port Charlotte, FL 33948
(813) 403-8190

TAB Holdings, LLC
6507 Old Brick Road, Ste. 140
Windermere, FL 34786
(321) 231-4548

ILLINOIS

Fox Valley Chick, LLC
220 N. Randall Rd.
Batavia, IL 60510
(217) 246-3538

DLH Chicken Salad EP, LLC
506 IAA Drive
Bloomington, IL 61701
(630) 303-1467

KENTUCKY

TKAB Chick, LLC
135 Rosemont Drive
Paducah, KY 42001
(512) 318-0057

NEW MEXICO

Enchanted Chick, LLC*
13128 Sunrise Trail Place NE
Albuquerque, NM 87111
(727) 403- 3637

NORTH CAROLINA

Hickory Eagle, LLC
231 Government Ave. SW, #3320
Hickory, NC 28602
(276) 220-2098

Coastal Chicks, LLC
503 Olde Waterford Way
Leland, NC 28451
(434) 238-4244

TEXAS

Salade de Poulet Foods, LLC
2620 Wolfin Avenue
Amarillo, TX 79079
(806) 334-1722

Hazel 5 Ventures, LLC*
2101 E. Southlake Blvd. Ste. #180
Southlake, TX 76092
(321) 480-6708

Doxa Thermopolium, LLC
4710 South Broadway Ave
Tyler, TX 75703
(936) 675-0132

Young Chicks, LLC
1509 Hewitt Drive Side B
Waco, TX 76712
(254) 300-4788

VIRGINIA

Carmel Chick, LLC*
1000 Sutton Rd.
Demorest, GA 30535
(910) 734-0003
(Virginia territory)

Blue Ridge Chick, LLC
4445 Corporation Ln., Ste 264
Virginia Beach, VA 23462
(910) 459-9404

EXHIBIT H

LIST OF AFFILIATED-OWNED RESTAURANTS

EXHIBIT H
LIST OF AFFILIATE-OWNED RESTAURANTS

ALABAMA

CSC Auburn
1345 Opelika Rd. Ste. A
Auburn, AL 36830
334-821-7770

CSC Auburn University
1310 Wilmore Dr
Auburn University, AL 36849
334-844-1270

CSC B 'ham Lee Branch
210 Doug Baker Blvd. Ste. 200
Birmingham, AL 35242
205-995-2525

CSC Trussville
2050 Gadsden Highway
Suite 103
Birmingham, AL 35235
(205) 537-1170

CSC Cullman
1817 Cherokee Avenue SW Suite A
Cullman, AL 35055
(256) 787-1760

CSC Decatur
1821 Beltline Road Suite C
Decatur, AL 35602
(256) 552-7797

CSC Florence
363 Cox Creek Pkwy
Florence, AL 35630
(256) 284-1300

CSC Homewood
1830 29th Avenue S
Homewood, AL 35209
205-637-5578

CSC Hoover-Riverchase
3780 Riverchase Village
Suite 110
Hoover, AL 35244
205-518-0256

CSC Huntsville
975 Airport Rd. SW Ste, J1
Huntsville, AL 35802
256-213-1067

CSC Madison
7709 Highway 72 West
Suite 1000
Madison, AL 35758
(256) 325-1041

CSC Opelika
2776 Enterprise Dr
Opelika, AL 36801
(334) 203-1449

CSC Oxford
501 Oxford Exchange Blvd
Oxford, AL 36203
256-403-2412

FLORIDA

CSC Jacksonville- Bay Meadows
10920 Baymeadows Rd. Ste. #12
Jacksonville, FL 32256
(904) 503-3304

CSC Jacksonville- Town Center
4624 Town Crossing Dr. Ste. #115
Jacksonville, FL 32246
(904) 438-5427

CSC Jacksonville- Galleria
6025 Butler Point Rd.
Jacksonville, FL 32256
(904) 683-1447

CSC Lake Nona
9470 Narcoossee Road
Orlando, FL 32827
407-271-8236

CSC Oviedo
946 W. Mitchell Hammock Road
Suite 1210
Oviedo, FL 32765
(407) 604-3625

GEORGIA

CSC Alpharetta
970 North Point Drive Ste. B190
Alpharetta, GA 30022
770-667-5459

CSC Athens 196 Alps Road #42A
Athens, GA 30606
706-549-7580

CSC Atlanta- Buckhead
4365 Roswell Road NE
Suite 4367
Atlanta, GA 30342
(678) 732-3573

CSC Atlanta, Vinings
2810 Paces Ferry Road
Suite 310
Atlanta, GA 30339
(678) 247-8541

CSC Augusta
2871 Washington Road
Augusta, GA 30909
706-729-6556

CSC Buford
3385 Woodward Crossing Blvd.
Ste. F-11C
Buford, GA 30519
678-255-8382

CSC Cumming
410 Peachtree Pkwy
Unit 4154
Cumming, GA 30041
470-300-1599

CSC Dawsonville
12 Dawson Market Hwy. Ste. #390
Dawsonville, GA 30534
(762) 274-3030

CSC Atlanta- Perimeter Marketplace
4706 Ashford Dunwoody Rd. Bldg B1, Ste. #230
Dunwoody, GA 30338
(470) 857-5800

CSC Evans
4429 Washington
Evans, GA 30809
(762) 224-2280

CSC Fayetteville
1175 Highway 85 N. Ste. #110
Fayetteville, GA 30214
(470) 317- 3303

CSC Gainesville
1122 Dawsonville Hwy Ste. #500
Gainesville, GA 30501
(678) 971-1640

CSC Grovetown 4990 Steiner Way
Grovetown, GA 30813
(706) 432-9622

CSC Kennesaw
425 Earnest Barrett Parkway NW
Unit 1010
Kennesaw, GA 30144
678-290-0173

CSC Loganville
4112 Atlanta Hwy
Suite 200
Loganville, GA 30052
(770) 685-1435

CSC West Cobb
385 Dallas Hwy
Ste. 816
Marietta, GA 30064

CSC McDonough
1655 Hwy 20 W.
McDonough, GA 30253
(678) 661-7717

CSC Peachtree City
1001 North Peachtree Parkway
Peachtree City, GA 30269
678-538-7186

CSC Rome
800 Martha Berry Blvd. NE
Rome, GA 30165
(706) 528-4929

CSC Roswell
1105 Woodstock Rd
Suite 110
Roswell, GA 30075
770-998-0621

CSC Snellville
1918 Scenic Highway
Snellville, GA 30078
(678) 737-8088

CSC Stockbridge
1001 Eagles Landing Pkwy
Suite 110
Stockbridge, GA 30281
(678) 782-7216

CSC John's Creek
3630 Peachtree Pkwy
Suite 500
Suwanee, GA 30024
(407) 695-7000

INDIANA

CSC Carmel
12751 N. Pennsylvania St. Ste. #100
Carmel, IN 46032
(463) 345-4606

CSC Fishers
11545 Ikea Way
Ste. 600
Fishers, IN 46037
463-217-0891

CSC Indianapolis- Greenwood
8635 South Emerson Ave.
Indianapolis, IN 46237
(463) 444-5370

CSC Indy, West 86th
3450 W. 86th St
Indianapolis, IN 46268
463-210-1899

CSC Indy Glendale
6519 N. Keystone Ave
Ste. 100
Indianapolis, IN 46220
463-220-2670

CSC Whitestown
6065 Perry Worth Rd. Ste. #100
Whitestown, IN 46075
(463) 946-4046

KENTUCKY

CSC Crestview Hills
2891 Dixie Hwy
Crestview Hills, KY 41017
859-577-9195

CSC Hopkinsville
4101 Ft. Campbell Blvd.
Suite 101
Hopkinsville, KY 42240

MISSISSIPPI

CSC Olive Branch
5135 Goodman Road
Suite 100
Olive Branch, MS 38654

OHIO

CSC Cincinnati- Oakley
3301 Vandercar Way
Cincinnati, OH 45209
(513) 351-1246

CSC Cincinnati- Anderson Township
7919 Beechmont Avenue
Cincinnati, OH 45255
513-407-4965

CSC Cincinnati – Western Hills
3420 Werk Rd.
Cincinnati, OH 45211
513-817-0185

CSC Columbus- Hamilton Quarter
6304 E Dublin Granville Rd
Columbus, OH 43081
(614) 775-6112

TENNESSEE

CSC Franklin
5040 Carothers Pkwy
Suite 112
Franklin, TN 37067
(615) 628-8062

CSC Gallatin
1117 Nashville Pike Ste. A
Gallatin, TN 37066
(615) 989 6245

CSC Memphis- Germantown
2126 Exeter Road
Suite 103
Germantown, TN 38138
(901) 308-0487

CSC Hermitage
5225 Old Hickory Blvd. Ste. #301
Hermitage, TN 37076
(629) 736- 2442

CSC Hendersonville
217 Indian Lake Blvd
Suite 100
Hendersonville, TN 37075
(615) 447-3006

CSC Jackson
1128 Vann Drive
Jackson, TN 38305
(731) 300-4506

CSC Memphis – Poplar Ave.
4562 Poplar Perkins Avenue\
Suite 111
Memphis, TN 38117
(901) 415-6286

CSC Memphis – Wolfchase
8361 US Hwy 64
Ste. 102
Memphis, TN 38117

CSC Murfreesboro
2855 Medical Center Parkway Suite F
Murfreesboro, TN 37129
615-900-3087

CSC Nashville, Bellevue
7614 Hwy 70S
Suite 606
Nashville, TN 37221
(615) 645-9883

CSC Smyrna
372 West Ham Ridley Parkway
Smyrna, TN 37167
(629) 468-2445

CSC Spring Hill
4867 Main Street
Spring Hill, TN 37174
(615) 392-8555

EXHIBIT I

STATE-SPECIFIC ADDENDA AND AGREEMENT RIDERS

NO WAIVER OR DISCLAIMER OF RELIANCE IN CERTAIN STATES

The following provision applies only to franchisees and franchises that are subject to the state franchise registration/disclosure laws in California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington, or Wisconsin:

> No statement, questionnaire, or acknowledgement signed or agreed to by you 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 us, any franchise seller, or any other person acting on our behalf. This provision supersedes any other term of any document executed in connection with the franchise.

ADDITIONAL DISCLOSURES FOR THE
FRANCHISE DISCLOSURE DOCUMENT OF
SIMPLY SOUTHERN RESTAURANT GROUP, LLC

The following are additional disclosures for the Franchise Disclosure Document of SIMPLY SOUTHERN RESTAURANT GROUP, LLC required by various state franchise laws. Each provision of these additional disclosures will not apply unless, with respect to that provision, the jurisdictional requirements of the applicable state franchise registration and disclosure law are met independently without reference to these additional disclosures.

MARYLAND

1. In the Franchise Disclosure Document, the "Summary" sections of Items 17(c) and (m) in the Franchise Agreement chart, captioned "Requirements for you to renew or extend" and "Conditions for our approval of transfer," respectively, and the "Summary" section of Item 17(m) of the Area Development Agreement chart, captioned "Conditions for our approval of transfer," are amended by adding the following:

> The general release required as a condition of renewal, sale, and/or assignment/transfer will not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

2. The "Summary" section of Item 17(h) in both the Franchise Agreement and Area Development Agreement charts in the Franchise Disclosure Document, captioned "'Cause' defined – non-curable defaults," is amended by adding the following:

> The Agreement provides for termination upon your insolvency. This provision might not be enforceable under federal bankruptcy law (11 U.S.C. Sections 101 *et seq.*), but we will enforce it to the extent enforceable.

3. The "Summary" section of Item 17(v) in both the Franchise Agreement and Area Development Agreement charts in the Franchise Disclosure Document, captioned "Choice of forum," is amended to read as follows:

> Subject to arbitration requirements, litigation must be (with limited exceptions) in courts closest to where we (or then-current franchisor) have our principal business address when the action is commenced (it currently is in Atlanta, Georgia), although you may, subject to your arbitration obligations, commence a lawsuit against us in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law.

4. The following is added to the end of the "Summary" section of Item 17(w) in both the Franchise Agreement and Area Development Agreement charts in the Franchise Disclosure Document, captioned "Choice of law":

> However, to the extent required by applicable law, Maryland law will apply to claims arising under the Maryland Franchise Registration and Disclosure Law.

5. The following is added at the end of the charts in Item 17 of the Franchise Disclosure Document:

Any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within 3 years after the grant of the franchise.

MINNESOTA

1. The following language is added immediately following the chart in Item 6:

Minnesota Statute 604.113 puts a cap of $30 on service charges for non-sufficient funds (NSF) checks.

2. **Trademarks**. The following language is added to the end of the next-to-last paragraph of Item 13 of the Franchise Disclosure Document:

Despite the foregoing, if you have complied with all of our requirements that apply to the Marks, we will protect your right to use the Marks and indemnify you from any loss, costs, or expenses arising out of any claims, suits, or demands regarding your use of the Marks, in accordance with Minn. Stat. Sec. 80C.12, Subd. 1(g).

3. **Renewal, Termination, Transfer, and Dispute Resolution.** The following paragraphs are added at the end of the charts in Item 17 of the Franchise Disclosure Document:

With respect to franchises governed by Minnesota law, we will comply with Minnesota Statutes Section 80C.14, Subds. 3, 4 and 5 which require (except in certain specified cases) that (1) a franchisee be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice of non-renewal of the franchise agreement, and (2) consent to the transfer of the franchise will not be unreasonably withheld.

Any release as a condition of renewal and/or assignment/transfer will not apply to the extent prohibited by law with respect to claims arising under Minn. Rule 2860.4400(D).

Minnesota Statutes, Section 80C.21 and Minnesota Rule 2860.4400(J) prohibit the franchisor from requiring litigation to be conducted outside Minnesota, requiring waiver of jury trial, or requiring the franchisee to consent to liquidated damages, termination penalties, or judgment notes. In addition, nothing in the Franchise Disclosure Document or agreement(s) can abrogate or reduce any of franchisee's rights as provided for in Minnesota Statutes, Chapter 80C, or franchisee's rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.

Minnesota law provides that no action may be commenced pursuant to Minn. Stat. §80C.17 more than three (3) years after the cause of action accrues. Minn. Stat. §80C.17, Subd. 5.

Minnesota Rules 2860.4400(J) provides that a franchisee cannot be required to consent to the franchisor obtaining injunctive relief. The franchisor may seek injunctive relief. Also, a court will determine if a bond is required.

THE FOLLOWING PAGES IN THIS EXHIBIT ARE STATE-SPECIFIC RIDERS TO THE FRANCHISE AGREEMENT

RIDER TO THE SIMPLY SOUTHERN RESTAURANT GROUP, LLC
FRANCHISE AGREEMENT
FOR USE IN MARYLAND

THIS RIDER is made and entered into by and between **SIMPLY SOUTHERN RESTAURANT GROUP, LLC**, an Alabama liability company whose principal business address is 2839 Paces Ferry Road, SE, Ste. 500, Atlanta, Georgia 30339 ("Franchisor"), and _____, a _____ ("Franchisee").

1. **BACKGROUND**. Franchisor and Franchisee are parties to that certain Franchise Agreement dated _____, 20__ that has been signed at the same time as this Rider (the "Franchise Agreement"). This Rider is annexed to and forms part of the Franchise Agreement. This Rider is being signed because (a) Franchisee is a resident of Maryland, or (b) the Chicken Salad Chick restaurant Franchisee will operate under the Franchise Agreement will be located in Maryland.

2. **ACKNOWLEDGMENTS**. The following language is added immediately before Section I of the Franchise Agreement:

> All representations requiring Franchisee to assent to a release, estoppel, or waiver of liability are not intended to nor shall they act as a release, estoppel, or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law.

3. **RELEASES**. The following language is added at the end of Sections II.B.7, V.D, XVII.A, XVII.B.2(b), and XVII.E.2 of the Franchise Agreement:

> ; provided, however, that such general release shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

4. **GOVERNING LAW** The following language is added to the end of Section XXVII.A of the Franchise Agreement:

> However, to the extent required by applicable law, Maryland law will apply to claims arising under the Maryland Franchise Registration and Disclosure Law.

5. **CONSENT TO JURISDICTION**. The following language is added at the end of Section XXVII.B of the Franchise Agreement:

> Notwithstanding the foregoing, and subject to Franchisee's arbitration obligations, Franchisee may bring an action in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law.

6. **LIMITATION OF CLAIMS**. The following sentence is added to the end of Section XXIX.G of the Franchise Agreement:

> , except that any and all claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within three (3) years after the grant of the franchise.

IN WITNESS WHEREOF, the parties have executed and delivered this Rider to be effective as of the Effective Date of the Franchise Agreement.

ATTEST:

By: _____
Its _____

_____
Witness

_____
Witness

FRANCHISOR:

SIMPLY SOUTHERN RESTAURANT GROUP, LLC

By: _____
Its _____
Date _____**

FRANCHISEE

_____

_____

Date _____

RIDER TO THE SIMPLY SOUTHERN RESTAURANT GROUP, LLC
FRANCHISE AGREEMENT
FOR USE IN MINNESOTA

THIS RIDER is made and entered into by and between **SIMPLY SOUTHERN RESTAURANT GROUP, LLC**, an Alabama liability company whose principal business address is 2839 Paces Ferry Road, SE, Ste. 500, Atlanta, Georgia 30339 ("Franchisor"), and _____, a _____ ("Franchisee").

1. Background. Franchisor and Franchisee are parties to that certain Franchise Agreement dated _____, 20__ that has been signed at the same time as this Rider (the "Franchise Agreement"). This Rider is annexed to and forms part of the Franchise Agreement. This Rider is being signed because (a) any of the franchise offer or sale activity occurred in Minnesota, or (b) the Chicken Salad Chick restaurant will be operated in Minnesota.

2. Non-Sufficient Funds. The following language is added to the end of Section IV of the Franchise Agreement:

> Minnesota Statute 604.113 puts a cap of $30 on service charges for non-sufficient funds (NSF) checks.

3. Agreements/Releases. Sections II.B.7, V.D, XVII.A, XVII.B.2(b), and XVII.E.2 of the Franchise Agreement are amended by adding the following:

> , provided, however, that such general releases will not apply to the extent prohibited by applicable law with respect to claims which arise under Minn. Rule 2860.4400(D).

4. Trademarks. The following language is added to the end of Section XI of the Franchise Agreement:

> Provided Franchisee has complied with all provisions of this Agreement applicable to the Marks, Franchisor will protect Franchisee's right to use the Marks and indemnify Franchisee from any loss, costs, or expenses arising out of any claims, suits, or demands regarding Franchisee's use of the Marks, in accordance with Minn. Stat. Section 80C.12. Subd.1(g).

5. Default & Termination. The following language is added at the end of Section XVIII of the Franchise Agreement:

> However, with respect to franchises governed by Minnesota law, Franchisor will comply with Minnesota Statutes Section 80C.14, Subds. 3, 4 and 5 which require (except in certain specified cases) that a franchisee be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice of non-renewal of the franchise agreement.

6. Obligations Upon Termination. The following language is added at the end of Section XIX.D of the Franchise Agreement:

Notwithstanding the foregoing, liquidated damages and termination penalty provisions are unenforceable under Minnesota law.

7. Applicable Law/Choice of Forum. The following language is added to the end of Sections XXVII.A and B of the Franchise Agreement:

Minnesota Statutes, Section 80C.21 and Minnesota Rule 2860.4400(J) prohibit Franchisor from requiring litigation to be conducted outside Minnesota, requiring waiver of jury trial, or requiring the franchisee to consent to liquidated damages, termination penalties, or judgment notes. In addition, nothing in the Franchise Disclosure Document or agreement(s) can abrogate or reduce any of Franchisee's rights as provided for in Minnesota Statutes, Chapter 80C, or Franchisee's rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction. However, Franchisor and Franchisee will enforce these provisions in this Agreement to the extent the law allows.

8. Applicable Law/Choice of Forum. The following language is added to the end of Section XXVII.D of the Franchise Agreement:

Minnesota Rule 2860.4400(J) prohibits Franchisee from being required to consent to the Franchisor obtaining injunctive relief. Franchisor may seek injunctive relief. Also, a court will determine if a bond is required.

9. Jury Trial Waiver. Section XXIX.E of the Franchise Agreement is deleted to the extent unenforceable under the Minnesota Franchises Law.

10. Limitation of Actions. The following sentence is added to the end of Section XXIX.G of the Franchise Agreement:

Minnesota law provides that no action may be commenced pursuant to Minn. Stat. §80C.17 more than three (3) years after the cause of action accrues. Minn. Stat. §80C.17, Subd. 5.

(Signatures contained on following page.)

IN WITNESS WHEREOF, the parties have executed and delivered this Rider to be effective as of the Effective Date of the Franchise Agreement.

FRANCHISOR:

SIMPLY SOUTHERN RESTAURANT
GROUP, LLC

By: _____
Its _____
Date _____**

**Effective Date of this Rider

FRANCHISEE

_____

_____

Date _____

THE FOLLOWING PAGES IN THIS EXHIBIT ARE STATE-SPECIFIC RIDERS TO THE AREA DEVELOPMENT AGREEMENT

RIDER TO THE SIMPLY SOUTHERN RESTAURANT GROUP, LLC.
AREA DEVELOPMENT AGREEMENT
FOR USE IN MARYLAND

THIS RIDER is made and entered into by and between **SIMPLY SOUTHERN RESTAURANT GROUP, LLC**, an Alabama liability company whose principal business address is 2839 Paces Ferry Road, SE, Ste. 500, Atlanta, Georgia 30339 ("Franchisor"), and _____, a _____ ("Developer").

1. **BACKGROUND**. Franchisor and Developer are parties to that certain Area Development Agreement dated _____, 20__ that has been signed at the same time as this Rider (the "Area Development Agreement"). This Rider is annexed to and forms part of the Area Development Agreement. This Rider is being signed because (a) Developer's CHICKEN SALAD CHICK Restaurants will be located in Maryland, or (b) Developer is a resident of Maryland.

2. **TERMINATION**. Section V.B of the Area Development Agreement is amended by adding the following:

> Termination upon bankruptcy might not be enforceable under federal bankruptcy law (11 U.S.C. Sections 101 et seq.), but Franchisor intends to enforce this provision to the extent enforceable.

3. **GOVERNING LAW**. Section XII of the Area Development Agreement is amended by adding the following language:

> Despite anything to the contrary stated above, Maryland law will apply to claims arising under the Maryland Franchise Registration and Disclosure Law.

4. **NON-WAIVER**. The following language is added to the end of Section XIII of the Area Development Agreement:

> Such representations are not intended to nor shall they act as a release, estoppel, or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law.

5. **CONSENT TO JURISDICTION**. Section XIV of the Area Development Agreement is amended by adding the following language:

> However, subject to Developer's arbitration obligations, nothing in this Section affects Developer's right under the Maryland Franchise Registration and Disclosure Law to bring a lawsuit in Maryland for claims arising under that law.

IN WITNESS WHEREOF, the parties have executed and delivered this Rider to be effective as of the Effective Date of the Area Development Agreement.

ATTEST

By: _____
As Its _____

_____
Witness

_____
Witness

SIMPLY SOUTHERN RESTAURANT GROUP, LLC

By: _____
As Its _____
Date: _____**

DEVELOPER:

_____

_____

RIDER TO THE SIMPLY SOUTHERN RESTAURANT GROUP, LLC.
AREA DEVELOPMENT AGREEMENT
FOR USE IN MINNESOTA

THIS RIDER is made and entered into by and between **SIMPLY SOUTHERN RESTAURANT GROUP, LLC**, an Alabama liability company whose principal business address is 2839 Paces Ferry Road, SE, Ste. 500, Atlanta, Georgia 30339 ("Franchisor"), and _____, a _____ ("Developer").

1. **BACKGROUND**. Franchisor and Developer are parties to that certain Area Development Agreement dated _____, 20__ that has been signed at the same time as this Rider (the "Area Development Agreement"). This Rider is annexed to and forms part of the Area Development Agreement. This Rider is being signed because (a) any of the franchise offer or sales activity occurred in Minnesota, or (b) Developer's Chicken Salad Chick restaurants will be located in Minnesota.

2. **GOVERNING LAW/CHOICE OF FORUM**. The following language is added to the end of Section XII of the Area Development Agreement:

> Minnesota Statutes, Section 80C.21 and Minnesota Rule 2860.4400(J) prohibit Franchisor from requiring litigation to be conducted outside of Minnesota, requiring waiver of jury trial, or requiring the franchisee to consent to liquidated damages, termination penalties, or judgment notes. In addition, nothing in the Franchise Disclosure Document or agreement(s) can abrogate or reduce (1) any of Developer's rights as provided for in Minnesota Statutes, Chapter 80C, or (2) Developer's rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction. However, Franchisor and Developer will enforce these provisions in this Agreement to the extent the law allows.
>
> Minnesota Rule 2860.4400(J) prohibits Developer from being required to consent to Franchisor obtaining injunctive relief. Franchisor may seek injunctive relief. Also, a court will determine if a bond is required.
>
> Minnesota law provides that no action may be commenced pursuant to Minn. Stat. §80C.17 more than three (3) years after the cause of action accrues. Minn. Stat. §80C.17, Subd. 5.

[Signatures contained on the following page.]

IN WITNESS WHEREOF, the parties have executed and delivered this Rider to be effective as of the Effective Date of the Area Development Agreement.

SIMPLY SOUTHERN RESTAURANT
GROUP, LLC

By: _____
As Its _____
Date: _____**

DEVELOPER:

_____

_____

EXHIBIT J

FRANCHISEE REPRESENTATIONS DOCUMENT

(This Franchisee Representations document will not be used if the franchise is to be operated in, or you are a resident of, California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington, or Wisconsin)

SIMPLY SOUTHERN RESTAURANT GROUP, LLC
FRANCHISEE REPRESENTATIONS

DO NOT SIGN THIS FRANCHISEE REPRESENTATIONS IF THE FRANCHISE IS TO BE OPERATED IN, OR YOU ARE A RESIDENT OF, CALIFORNIA, HAWAII, ILLINOIS, INDIANA, MARYLAND, MICHIGAN, MINNESOTA, NEW YORK, NORTH DAKOTA, RHODE ISLAND, SOUTH DAKOTA, VIRGINIA, WASHINGTON, OR WISCONSIN.

Important Instructions: Simply Southern Restaurant Group, LLC ("we," "us," or "our") and you are ready to sign a Franchise Agreement for the development and operation of a CHICKEN SALAD CHICK® Restaurant (the "Restaurant") and, possibly, an Area Development Agreement for the development and operation of multiple CHICKEN SALAD CHICK® Restaurants. This document's purpose is to determine whether any statements or promises were made to you that we have not authorized, that do not appear in or are inconsistent with our franchise documents, and/or that may be untrue, inaccurate, or misleading. We also want to be sure that you understand certain terms of the agreements you will sign and their ramifications. Please review each of the following statements carefully and do not sign this document if it contains anything you think might be untrue. If you sign this document, you are confirming the truth of what it says. In addition, if you sign it, we will take actions in reliance on the truth of what it says.

Initial the spaces after the statements to confirm your understanding and the accuracy of the statements.

Name of Prospective Franchisee: _____
(the "Franchisee")

Each of the undersigned represents that all of the following statements are true:

1. Each of the undersigned has independently investigated us; our affiliates; the CHICKEN SALAD CHICK® Restaurant system; the risks, burdens, and nature of the business that Franchisee will conduct under the Franchise Agreement; the Restaurant; the shopping or strip center or other location for the Restaurant (if already selected); and the Restaurant's market area.

***Insert initials into the following blank to confirm this statement: ___**

2. Each of the undersigned understands that the business Franchisee will conduct under the Franchise Agreement involves risk, and any success or failure will be substantially influenced by Franchisee's ability and efforts, the viability of the Restaurant's location, competition from other businesses, interest rates, inflation, labor and supply costs, lease terms, and other economic and business factors.

***Insert initials into the following blank to confirm this statement: ___**

3. Each of the undersigned understands that we previously might have signed, and in the future we may sign, franchise agreements with provisions different from the provisions of the Restaurant's Franchise Agreement.

***Insert initials into the following blank to confirm this statement: ___**

4. If we unilaterally made material changes in Franchisee's final, ready-to-be-signed copies of the Franchise Agreement, Area Development Agreement (if applicable), and related documents (other than as a result of our negotiations with Franchisee), Franchisee has had possession of those documents for at least seven calendar days before signing them and has had ample opportunity to consult with his, her, or its attorneys, accountants, and other advisors concerning those documents.

***Insert initials into the following blank to confirm this statement: ___**

5. Franchisee has received a franchise disclosure document ("FDD") as required by federal law at least 14 calendar days before signing the Franchise Agreement (and Area Development Agreement (if applicable)), or paying any consideration to us or our affiliate in connection with this franchise, and has had ample opportunity to consult with his, her, or its attorneys, accountants, and other advisors concerning the FDD.

***Insert initials into the following blank to confirm this statement: ___**

6. Except as provided in Item 19 of our FDD, we and our affiliates and agents have made no representation, warranty, promise, guaranty, prediction, projection, or other statement, and given no information, as to the future, past, likely, or possible income, sales volume, or profitability, expected or otherwise, of the Restaurant or any other business, except: (None, unless something is filled-in here or provided on additional sheets).

_____

_____

_____

***Insert initials into the following blank to confirm this statement: ___**

7. Each of the undersigned understands that:

7.1 Except as provided in Item 19 of our FDD, we do not authorize our affiliates, or our or their respective officers, directors, employees, or agents, to furnish any oral or written representation, warranty, promise, guaranty, prediction, projection, or other statement or information concerning actual or potential income, sales volume, or profitability, either generally or of any CHICKEN SALAD CHICK® Restaurant.

***Insert initials into the following blank to confirm this statement: ___**

7.2 Actual results vary from unit to unit and from time period to time period, and we cannot estimate, project, or predict the results of any particular CHICKEN SALAD CHICK® Restaurant.

***Insert initials into the following blank to confirm this statement: ___**

7.3 We have specifically instructed our affiliates, and our and their respective officers, directors, employees, and agents, that except as provided in Item 19 of our FDD, they are not permitted to make any representation, warranty, promise, guaranty, prediction, projection, or other statement or give other information as to income, sales volume, or profitability, either generally or with respect to any particular CHICKEN SALAD CHICK® Restaurant.

***Insert initials into the following blank to confirm this statement: ___**

7.4 If any unauthorized representation, warranty, promise, guaranty, prediction, projection, or other statement or information is made or given, the undersigned should not (and will not) rely on it.

***Insert initials into the following blank to confirm this statement: ___**

8. Before signing the Franchise Agreement, Area Development Agreement (if applicable), or any related documents, the undersigned Franchisee has had ample opportunity: (a) to discuss the particular agreement, any related document, and the business Franchisee will conduct with its, his, or her own attorneys, accountants, and real estate and other advisors; (b) to contact our existing franchisees; and (c) to investigate all statements and information made or given by us or our affiliates, or our or their respective officers, directors, employees, and agents, relating to the CHICKEN SALAD CHICK® Restaurant system, the Restaurant, and any other subject.

***Insert initials into the following blank to confirm this statement: ___**

9. Each of the undersigned understands that the Franchise Agreement licenses certain rights for one, and only one, Restaurant, located only at the location now specified (or to be specified) in the Franchise Agreement, and that, except as may be provided in the Franchise Agreement or an Area Development Agreement with us, no "exclusive," "expansion," "protected," "non-encroachable," or other territorial rights, rights of first refusal, or rights of any other kind are granted or have been promised concerning the shopping or strip center or other structure in which the Restaurant is located, the contiguous or any other market area of the Restaurant, or any other existing or potential CHICKEN SALAD CHICK® Restaurant or geographic territory.

***Insert initials into the following blank to confirm this statement: ___**

10. Each of the undersigned understands that the Franchise Agreement (including any riders and exhibits) and the Area Development Agreement (if applicable) constitute the entire agreement between the parties and supersede all prior and contemporaneous oral or written agreements, statements, representations (except for those in the FDD), or understandings of us, the undersigned, and Franchisee.

***Insert initials into the following blank to confirm this statement: ___**

11. Each of the undersigned understands that nothing stated or promised that is not specifically set forth in the Franchise Agreement, Area Development Agreement (if applicable), or FDD can be relied upon by the undersigned or Franchisee.

***Insert initials into the following blank to confirm this statement: ___**

12. Each of the undersigned has confirmed that no employee or agent of ours or our affiliates, or other person speaking on our behalf, has made any statement, promise, or agreement concerning the advertising, marketing, training, support service, or assistance we will give to Franchisee that is contrary to, or different from, the information contained in the FDD and the Franchise Agreement.

***Insert initials into the following blank to confirm this statement: ___**

13. Each of the undersigned understands that we and our affiliates may sell or transfer our assets, our trademarks, and/or the CHICKEN SALAD CHICK® Restaurant system outright to a third party; may go public; may engage in a private placement of some or all of our and our affiliates' securities; may merge, acquire other companies, or be acquired by another company; and/or may undertake a refinancing, a recapitalization, a leveraged buy-out, or other economic or financial restructuring.

***Insert initials into the following blank to confirm this statement: ___**

14. The only state(s) in which each of the undersigned is a resident is (are): _____

_____.

***Insert initials into the following blank to confirm this statement: ___**

15. Each of the undersigned understands the importance of the Restaurant's location. The undersigned and Franchisee have had, or will have, ample opportunity and the means to investigate, review, and analyze independently the Restaurant's location, the shopping or strip center or other building in which it is contained, the market area and all other facts relevant to the selection of a site for a CHICKEN SALAD CHICK® Restaurant, and the lease or purchase documents for such location.

***Insert initials into the following blank to confirm this statement: ___**

16. Each of the undersigned understands that neither our acceptance or selection of any location, nor our negotiation or acceptance of any lease or purchase contract, implies or constitutes any warranty, representation, guarantee, prediction, or projection that the location will be profitable or successful or that the lease or purchase contract is on favorable terms. It often is the case that such documents contain very tough terms.

***Insert initials into the following blank to confirm this statement: ___**

17. Each of the undersigned understands that site selection is a difficult and risky proposition. We and our affiliates have not given (and will not give) any representation, warranty, promise, guaranty, prediction, projection, or other statement or information relied upon (or to be relied upon) by the undersigned or Franchisee regarding a location's prospects for success, nearby tenants, or other attributes, even if we reviewed the lease or purchase contract. Franchisee will have any lease or purchase contract reviewed by its, his, or her own attorney and other advisors.

***Insert initials into the following blank to confirm this statement: ___**

18. Each of the undersigned understands that the estimated initial investment ranges disclosed in Item 7 of our FDD are for CHICKEN SALAD CHICK® Restaurants of a certain size, at certain types of locations, and having certain characteristics we consider to be fairly standard for CHICKEN SALAD CHICK® Restaurants. Franchisee's actual investment to develop its CHICKEN SALAD CHICK® Restaurant could be incrementally or materially higher than the estimated initial investment ranges disclosed in Item 7 if Franchisee chooses to develop a larger Restaurant or a Restaurant that otherwise is atypical when compared with standard CHICKEN SALAD CHICK® Restaurants.

***Insert initials into the following blank to confirm this statement: ___**

19. The covenants and restrictions concerning competition contained in the Franchise Agreement are fair and reasonable and will not impose an undue hardship on the undersigned or Franchisee. Each of them has other considerable skills, abilities, opportunities, and experience in other matters and of a general nature enabling each of them to derive income that is satisfactory to them from other endeavors.

***Insert initials into the following blank to confirm this statement: ___**

20. There is no fiduciary or confidential relationship between us and the undersigned or between us and Franchisee. Each of the undersigned expects us to deal, and will act as if we are dealing, with it, him, or her at arm's length and in our own best interests.

***Insert initials into the following blank to confirm this statement: ___**

21. We have advised the undersigned and Franchisee to consult with their own advisors on the legal, financial, and other aspects of the Franchise Agreement, Area

Development Agreement (if applicable), this document, the Restaurant, any lease, sublease, or purchase contract for the premises, and the business contemplated. Each of the undersigned has either consulted with such advisors or deliberately declined to do so.

***Insert initials into the following blank to confirm this statement: ___**

22. Neither we or our affiliates, nor any of our or our affiliates' employees or agents, have provided the undersigned or Franchisee with services or advice that is legal, accounting, or other professional services or advice.

***Insert initials into the following blank to confirm this statement: ___**

23. We may communicate directly with Franchisee's trade suppliers at any time during the Restaurant's operation and obtain from them any sales and purchasing information relating to their dealings with Franchisee.

***Insert initials into the following blank to confirm this statement: ___**

24. The statements made in this document supplement and are cumulative to statements, warranties, and representations made in other documents, such as the Franchise Agreement and Area Development Agreement. The statements made in this document and the Franchise Agreement (and Area Development Agreement, if applicable) are made separately and independently. They are not intended to be, and will not be, construed as modifying or limiting each other.

***Insert initials into the following blank to confirm this statement: ___**

25. Each of the undersigned acknowledges that Franchisee is entering the franchise relationship with the intent and expectation that we and Franchisee are and will be independent contractors. Neither we nor Franchisee is—and neither we nor Franchisee intends to be—a partner, joint venturer, associate, or employee of the other in any way. We (and our affiliates) will not exercise direct or indirect control over the Restaurant's personnel except to the extent any indirect control is related to our legitimate interest in protecting the quality of products, service, or the CHICKEN SALAD CHICK® brand. We (and our affiliates) will not share or codetermine the employment terms and conditions of the Restaurant's employees or affect matters relating to the employment relationship between Franchisee and the Restaurant's employees, such as employee selection, training, promotion, termination, hours worked, rates of pay, other benefits, work assigned, discipline, adjustment of grievances and complaints, and working conditions. We (and our affiliates) will not be the employer or joint employer of the Restaurant's employees.

***Insert initials into the following blank to confirm this statement: ___**

26. The President of the United States of America has issued Executive Order 13224 (the "Executive Order") prohibiting transactions with terrorists and terrorist organizations, and

the United States government has adopted, and in the future may adopt, other anti-terrorism measures (the "Anti-Terrorism Measures"). We therefore require certain certifications that the parties with whom we deal are not directly or indirectly involved in terrorism. For that reason, the undersigned and Franchisee hereby certify that neither they nor any of their employees, agents, or representatives, nor any other person or entity associated with Franchisee, is: (a) a person or entity listed in the Annex to the Executive Order; (b) a person or entity otherwise determined by the Executive Order to have committed acts of terrorism or to pose a significant risk of committing acts of terrorism; (c) a person or entity who assists, sponsors, or supports terrorists or acts of terrorism; or (d) owned or controlled by terrorists or sponsors of terrorism. The undersigned and Franchisee further covenant that neither they nor any of their employees, agents, or representatives, nor any other person or entity associated with them, will during the term of the Franchise Agreement become a person or entity described above or otherwise become a target of any Anti-Terrorism Measure.

***Insert initials into the following blank to confirm this statement: ___**

FRANCHISEE:

[_____]

By: _____
Signature

Print Name: _____
Title: _____
Date: _____

Owners/executives of the Franchisee legal entity must sign below individually

_____	_____
(Signature)	(Signature)
_____	_____
(Name Printed)	(Name Printed)
_____	_____
(Date)	(Date)

EXHIBIT K

FRANCHISOR LEASE RIDER

FRANCHISOR LEASE RIDER

This Franchisor Lease Rider (the "Rider") is made and entered into this the ____ day of _____, 20___ by and between _____ (the "Franchisee") and _____ (the "Landlord") (each a "Party" respectively and collectively the "Parties").

WHEREAS , Simply Southern Restaurant Group, LLC (the "Franchisor") and the Franchisee are parties to that certain Franchise Agreement dated _____ (the "Franchise Agreement");

WHEREAS, the Franchisee and the Landlord desire to enter into a lease (the "Lease") pursuant to which the Franchisee will occupy the premises located at or described AS SHOWN ON EXHIBIT A OF THE LEASE (the "Premises") for the purpose of operating a Chicken Salad Chick restaurant (the "Restaurant") franchised under the Franchise Agreement; and

WHEREAS, a condition of the Franchise Agreement requires that certain provisions be included in any lease for space in which Franchisee intends to operate a Chicken Salad Chick restaurant; now, therefore

WITNESSETH:

In consideration of the mutual undertakings and commitments set forth herein and in the Franchise Agreement, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

ARTICLE I: RIDER SUPREMACY

Notwithstanding anything in the Lease to the contrary, the terms of this Rider shall govern the relationship between the Parties. If terms of the Lease are in conflict with the terms of this Rider, then the Parties do hereby agree that the terms of this Rider control and that the conflicting provisions in the Lease are null, void, and of no consequence, force, or effect.

ARTICLE II: ASSIGNMENT TO FRANCHISOR

Notwithstanding anything contained in the Lease to the contrary, Tenant shall have the right, without Landlord's prior consent, to assign the Lease to Franchisor provided that (1) Franchisor shall occupy the Premises in accordance with the Permitted Use set forth in the Lease; and (2) Tenant and Franchisor shall execute, acknowledge, and deliver to Landlord a fully executed counterpart of the written assignment of the Lease. In the event of an assignment to Franchisor, Franchisor shall have the right to reassign the Lease without Landlord consent to a duly authorized franchisee of Franchisor (the "Authorized Franchisee"), provided that (a) Franchisor shall not be in default under any of the terms and conditions of this Lease at the time of the proposed assignment; (b) the Authorized Franchisee shall occupy the Premises and conduct its business therein in accordance with the Permitted Use set forth in the Lease; (c) the total net worth of the Authorized Franchisee, or the direct or indirect principals of the Authorized Franchisee, as of the date of such assignment shall be not less than Five Hundred Thousand Dollars; (d) Franchisor and the Authorized Franchisee shall execute, acknowledge and deliver to Landlord a fully executed counterpart of the written assignment of lease; and (e) in the event the proposed assignment provides for, or Franchisor otherwise receives rent or other consideration related to the Lease in excess of that provided for in the Lease, Franchisor shall pay to Landlord the amount of such excess as it is received by or becomes due to Franchisor. Any notice of assignment (the "Assignment Notice") in accordance with this paragraph shall include the name and address of the assignee, a certification signed by Franchisor and the Authorized Franchisee as to the above items, and the effective date of the proposed assignment. Any assignment in accordance with this paragraph shall not be subject to any administrative, transfer, assignment, review, or other fees or costs imposed by Landlord. Except as otherwise expressly provided for herein to the contrary, any assignment of the Lease by Franchisor to an Authorized Franchisee shall not relieve the original Tenant

from primary liability for performance of Tenant's obligations under the Lease, but shall relieve Franchisor from any further liability for such performance.

ARTICLE III: FRANCHISOR ASSUMPTION

Notwithstanding anything to the contrary set forth in the Lease, in the event Tenant is in default under the Lease, or Landlord has given written notice of default or termination under the Lease, then Tenant's Franchisor has the option, but not the obligation, to assume the Lease within ten (10) days of Franchisor's receipt of such notice of default or termination. Notwithstanding any other provisions in the Lease, during such ten (10) day period, Landlord will forbear from exercising any of its available remedies upon Tenant's default. If Franchisor elects by written notice to Landlord within such ten (10) day period to assume the Lease, then Franchisor shall have the obligation to cure Tenant's default within ten (10) business days of said assumption. In the event of an assumption of the Lease by Franchisor, Tenant and all guarantors shall remain liable under the Lease, and Tenant shall reimburse Franchisor for all of Franchisor's expenses and costs incurred, including reasonable attorney fees, in curing any defaults under the Lease which existed prior to or upon Franchisor's assumption of the Lease. Landlord hereby consents to Franchisor's assumption of the Lease pursuant to this paragraph and waives any transfer or assignment fees which might otherwise be due hereunder as a result of such assumption. Franchisor may reassign the Lease without Landlord consent to an Authorized Franchisee in the same manner as permitted by Article II of this Rider.

ARTICLE IV: RENT COMMENCEMENT DATE

Notwithstanding any term of the Lease to the contrary, if the date upon which payment of rent is to commence (the "Rent Commencement Date"), however it may be defined in the Lease, would otherwise fall between the Friday before Thanksgiving Day and January 4 of the following calendar year, and the Tenant has not opened to the public for business, then the Rent Commencement Date shall be automatically extended without payment of rent, penalties, or charges until the first business day following said time period.

ARTICLE V: HOURS OF OPERATION

Notwithstanding anything to the contrary set forth in the Lease or any Rules and Regulations of the Landlord, Tenant shall not be required to open on any Sunday. Tenant's regular hours of operation will be a minimum of seven (7) hours each day, Monday through Saturday, excluding recognized holidays.

ARTICLE VI: COLLATERAL ASSIGNMENT OF THE LEASE

Notwithstanding anything to the contrary set forth in the Lease, Tenant may execute a collateral assignment of this Lease to its Franchisor for the limited purpose of securing Tenant's performance under its Franchise Agreement with Franchisor. Landlord hereby consents to such collateral assignment of the Lease, and to Franchisor's assumption of the Lease according to the terms of the Collateral Assignment of Lease, attached to this Rider as **Rider Exhibit 1,** and hereby incorporated by reference as if fully stated herein. Franchisor may reassign the Lease without Landlord consent to an Authorized Franchisee in the same manner as permitted by Article II of this Rider.

ARTICLE VII: FRANCHISOR NOTICE ADDRESS

Required notices to the Franchisor under the terms of the Lease shall be sent to:

Simply Southern Restaurant Group, LLC
Overlook 2
2839 Paces Ferry Rd. SE, Suite 500
Atlanta, GA 30339
Attn: Scott Deviney, President and CEO

ARTICLE VIII: WARRANTY REGARDING PERMITTED USE

Notwithstanding anything contained in the Lease to the contrary, Landlord represents, covenants and agrees that Tenant's Permitted Use does not violate any exclusives or prohibited use covenants pertaining to the Premises.

IN WITNESS WHEREOF, the Parties have executed this Lease Rider as of the Date first shown above and hereto affix their hands and official seals.

_____
Landlord
By: _____
Its:_____

_____
Franchisee
By:_____
Its:_____

RIDER EXHIBIT 1
COLLATERAL ASSIGNMENT OF LEASE

FOR VALUE RECEIVED, the undersigned _____, ("Assignor") hereby assigns, transfers and sets over unto Simply Southern Restaurant Group, LLC, an Alabama limited liability company ("Assignee") all of Assignor's right, title and interest as Tenant in, to and under the foregoing Lease. This Assignment is for collateral purposes only and, except as specified herein, Assignee shall have no liability or obligation of any kind whatsoever arising from or in connection with this Assignment of the Lease unless Assignee shall take possession of the premises demised by the Lease pursuant to the terms hereof and shall assume the obligations of Tenant under said Lease.

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

Upon default by Assignor under the Lease or under the franchise agreement for a Chicken Salad Chick restaurant between Assignee and Assignor (the "Franchise Agreement"), or in the event of a default by Assignor under any document or instrument securing said Franchise Agreement, Assignee shall have the right and is hereby empowered to take possession of the premises demised by the Lease, expel Assignor therefrom and, in such event, Assignor shall have no further right, title or interest in the Lease with respect to possession or use of the demised premises, but shall remain a primary obligor under the Lease.

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

Done this _____ day of _____, 20____.

ASSIGNOR (Tenant):

By:_____
Name:_____
Title:_____

EXHIBIT L

FORM OF GENERAL RELEASE

SIMPLY SOUTHERN RESTAURANT GROUP, LLC

GRANT OF FRANCHISOR CONSENT AND FRANCHISEE RELEASE

Simply Southern Restaurant Group, LLC ("we," "us," or "our") and the undersigned franchisee, _____ ***[insert name of franchisee entity]*** ("you" or "your"), currently are parties to a Franchise Agreement dated _____ (the "Franchise Agreement") for the operation of a CHICKEN SALAD CHICK® Restaurant at _____. You have asked us to _____ ***[insert relevant detail]***. We currently have no obligation under your Franchise Agreement or otherwise to do so, or we have the right under the Franchise Agreement to condition our approval on your and your owners signing a release of claims. We are willing to _____ ***[repeat relevant detail]*** 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 in partial consideration for our consent to your request.

Consistent with the previous introduction, you, on behalf of yourself and your successors, heirs, executors, administrators, personal representatives, agents, assigns, partners, owners, directors, officers, principals, employees, and affiliated entities (collectively, the "Releasing Parties"), hereby forever release and discharge us and our past, present, and future parent companies, subsidiaries, affiliates, investors, investment funds, and other related entities, and each of our and their respective past, present, and future officers, directors, owners, principals, employees, agents, executors, administrators, representatives, successors, and assigns (collectively, the "CSC Parties") from any and all claims, damages, demands, debts, causes of action, suits, duties, liabilities, costs, and expenses of any nature and kind, whether presently known or unknown, vested or contingent, suspected or unsuspected (all such matters, collectively, "Claims"), that you and any other Releasing Party now have, ever had, or, but for this Consent, hereafter would or could have against any CSC Party (1) arising out of or related in any way to the CSC Parties' performance of or alleged failure to perform their obligations under the Franchise Agreement before the date of your signature below, (2) arising out of or related in any way to our offer and grant to you of your CHICKEN SALAD CHICK® Restaurant franchise, or (3) otherwise arising out of or related in any way to your and the other Releasing Parties' relationship, from the beginning of time to the date of your signature below, with any of the CSC Parties.

The released Claims include, but are not limited to, any Claim alleging violation of any deceptive or unfair trade practices laws, franchise laws, or other local, municipal, state, federal, or other laws, statutes, rules, or regulations. You and the other Releasing Parties acknowledge that you and they may after the date of the signatures below discover facts different from, or in addition to, those facts currently known to you and them, or which you and they now believe to be true, with respect to the Claims released by this document. You and the other Releasing Parties nevertheless agree that the release set forth in this document has been negotiated and agreed on despite such acknowledgement and despite any federal or state statute or common law principle which may provide that a general release does not extend to claims which are not known to exist at the time of execution.

You, on behalf of yourself and the other Releasing Parties, further covenant not to sue any CSC Party on any Claim released by this document and represent that you have not assigned any Claim released by this document to any individual or entity that is not bound by this document.

We also are entitled to a release and covenant not to sue from your owners. By his, her, or their separate signatures below, your owners likewise grant to us the release and covenant not to sue provided above.

SIMPLY SOUTHERN RESTAURANT GROUP, LLC

By:_____
Name:_____
Title:_____
Date:_____

_____
[Name of Franchisee]

By:_____
Name:_____
Title:_____
Date:_____

_____
[Name of Owner]

_____
[Signature and Date]

_____
[Name of Owner]

_____
[Signature and Date]

EXHIBIT M

RIDER TO FRANCHISE AGREEMENT FOR RENEWAL FRANCHISE

SIMPLY SOUTHERN RESTAURANT GROUP, LLC

RIDER TO FRANCHISE AGREEMENT FOR RENEWAL FRANCHISE

1. **Background**. This Rider to Franchise Agreement for Renewal Franchise (the "Rider") is entered into by and between **Simply Southern Restaurant Group, LLC** ("**Franchisor**") and <*Franchisee Name*> ("**Franchisee**"). This Rider will be deemed effective as of <*Insert Date*> (**the "Effective Date"**).

Simultaneously with signing this Rider, Franchisor and Franchisee are signing a Franchise Agreement (**the "Renewal Franchise Agreement"**) to govern Franchisee's continued operation of its franchised CHICKEN SALAD CHICK® Restaurant located at <*Restaurant Address*> (the "**Restaurant**"). (All initial-capitalized terms used but not defined in this Rider will have the meanings given to those terms in the Renewal Franchise Agreement). Franchisor and Franchisee acknowledge that the Renewal Franchise Agreement is the successor to the Franchise Agreement between Franchisor and Franchisee dated as of <*Insert Date*> (**the "Expiring Franchise Agreement"**), under which Franchisee operated the Restaurant at the Premises during the Expiring Franchise Agreement's term and until the Effective Date. Franchisor and Franchisee are signing this Rider because the Expiring Franchise Agreement is scheduled to expire, and Franchisor and Franchisee have agreed to renew the Restaurant's franchise by signing the Renewal Franchise Agreement. This Rider modifies certain provisions of the Renewal Franchise Agreement that (a) do not apply to Franchisee's operation of the Restaurant during the renewal franchise term or (b) otherwise must account for the fact that the Restaurant already is open and operating as of the Effective Date.

2. **Expiration of Expiring Franchise Agreement**. The Expiring Franchise Agreement's term is deemed to expire on the day before the Effective Date. Franchisee has no further rights under the Expiring Franchise Agreement on or following the Effective Date.

3. **Franchisee's Understandings, Representations and Warranties**. Section 8(c) of "Franchisee's Understandings, Representations and Warranties" is hereby amended to read as follows:

> has fee simple or leasehold title to the Premises without any restrictions which would interfere with Franchisee's performance under this Agreement;

4. **Grant of Franchise—Franchise**. Section I.A of the Renewal Franchise Agreement is hereby amended to read as follows:

> Franchisor hereby grants to Franchisee and Franchisee hereby accepts a non-exclusive license to operate a Chicken Salad Chick restaurant at the Premises in compliance with the System. The franchise granted herein is specifically limited to the Premises and does not confer rights of any kind to any other location, area, market or territory.

5. **Grant of Franchise—Protected Area**. Section I.B of the Renewal Franchise Agreement is hereby amended to read as follows:

> During the term of this Agreement, Franchisor and its affiliates will not operate or grant any right, license or franchise to operate a Chicken Salad Chick restaurant the physical premises of which is located within the Protected Area. The Protected Area is identified in Exhibit A-1.

6. **Term of the Agreement—Renewal Term**. The beginning portion of Section II.B of the Renewal Franchise Agreement is hereby amended to read as follows:

> Franchisee may, at its option, renew this franchise for two (2) additional periods of ten (10) years, provided that:

7. **Initial Franchise and Grand Opening Marketing Fee**. Section III of the Renewal Franchise Agreement is hereby deleted in its entirety. Franchisee is required to pay Franchisor, as a condition of renewal, the renewal franchise fee specified under the Expiring Franchise Agreement but no initial fees.

8. **Continuing Fees**. The first sentence of Section IV.A of the Renewal Franchise Agreement is hereby amended to read as follows:

> Franchisee will, during the entire term of this Agreement, pay Franchisor Continuing Royalty Fees each reporting period equal to the greater of Six Hundred Dollars ($600.00) or five percent (5%) of Franchisee's Gross Sales.

9. **Advertising and Marketing**. Section V.A of the Renewal Franchise Agreement (the sentence immediately preceding Section V.A.1) is hereby deleted in its entirety.

10. **Training Program; Opening Assistance—Training**. Section XII.A of the Renewal Franchise Agreement is hereby amended to read as follows:

> Franchisor's training program is intended to maintain and protect the Marks and System and not to control the day-to-day operations of the Restaurant. Franchisor's training program will consist of on-the-job instruction on basic business procedures, equipment operation and maintenance, scheduling, basic accounting principles, computer operations, advertising and promotion, purchasing procedures, food preparation, food safety, food presentation, food quality, food portions, food and beverage inventory and cost control, customer service, janitorial service, general maintenance and other topics selected by Franchisor (excluding aspects relating to labor relations and employment practices). If Franchisee, its Operating Partner or Franchisee's manager does not successfully complete the required training program, then such person will not be permitted or authorized to participate in the operations of the Restaurant.

11. **Training Program; Opening Assistance—Opening Assistance**. Section XII.E of the Renewal Franchise Agreement is hereby deleted in its entirety.

12. **Site Selection; Construction Costs; Business Premises Specifications; Signs**. The first paragraph of Section XIII.A, as well as all of Sections XIII.B. and C, of the Renewal Franchise Agreement are hereby deleted in their entirety.

13. **Insurance—General**. Section XVI.A of the Renewal Franchise Agreement is hereby amended to read as follows:

> Franchisee shall procure and maintain in full force and effect during the term of this Agreement, at Franchisee's sole cost and expense, an insurance policy or policies protecting Franchisee and Franchisor, and their officers, directors, partners, members and employees, against any loss, liability, personal injury, death, or property damage or expense whatsoever from fire, lightning, theft, vandalism, malicious mischief, and the perils included in the extended coverage endorsement arising or occurring upon or in connection with the Restaurant, or by reason of the construction, operation or occupancy of the Restaurant, as well as such other insurance applicable to such other special risks by Franchisee's affiliated businesses, if any, as Franchisor may reasonably require for its own and Franchisee's protection.

14. **Insurance—Evidence of Insurance**. Section XVI.D of the Renewal Franchise Agreement is hereby amended to read as follows:

> On each policy renewal date, evidence of satisfactory insurance and proof of payment therefor shall be furnished by Franchisee to Franchisor. The evidence of insurance shall include a statement by the insurer that the policy or policies will not be cancelled or materially altered without at least thirty (30) days prior written notice to Franchisor.

15. **Default and Termination—Termination by Franchisor with no Opportunity to Cure**. Section XVIII.A.(2) of the Renewal Franchise Agreement is hereby deleted in its entirety.

16. **Release**. As partial consideration for, and as a condition of, Franchisor's granting Franchisee the rights under the Renewal Franchise Agreement, Franchisee and its affiliates, on behalf of themselves and their respective successors, heirs, executors, administrators, personal representatives, agents, assigns, partners, owners, directors, officers, principals, and employees (all such parties referred to collectively as the **"Releasing Parties"** and, individually, as a "Releasing Party"), hereby forever release and discharge Franchisor and its current and former affiliated entities (including parent, subsidiary, and other related companies), and all of their respective officers, directors, owners, principals, partners, employees, agents, successors, executors, administrators, personal representatives, predecessors, and assigns (all such parties referred to collectively as the **"Released Parties"** and, individually, as a "Released Party"), from any and all claims, damages, demands, debts, causes of action, suits, duties, liabilities, costs, expenses, and agreements of any nature and kind, whether presently known or unknown, vested or contingent, suspected or

unsuspected **(all such matters referred to collectively for purposes of this Section 16 as "Claims" and, individually, as a "Claim")**, that Franchisee and any other Releasing Party now have, ever had, or, but for this Section 16, hereafter would or could have against any Released Party directly or indirectly arising from or related in any way to (a) the Released Parties' performance of or failure to perform their obligations under the Expiring Franchise Agreement, or (b) Franchisee's and the other Releasing Parties' relationship, from the beginning of time to the Effective Date, with any Released Party, excepting only any Claims arising exclusively from or related exclusively to the grant of the renewal franchise under the Renewal Franchise Agreement.

The released Claims include, but are not limited to, any Claim alleging violation of any deceptive or unfair trade practices laws, franchise laws, or other local, municipal, state, federal, or other laws, statutes, rules, or regulations. Franchisee acknowledges that the Releasing Parties might after the Effective Date discover facts different from, or in addition to, those facts currently known to them, or which they now believe to be true, with respect to the Claims released by this section. The Releasing Parties nevertheless agree that the release set forth in this section has been negotiated and agreed on despite such acknowledgement and despite any federal or state statute or common-law principle which provides that a general release does not extend to claims which are not known to exist at the time of execution.

Franchisee and the other Releasing Parties further covenant not to sue any Released Party on any Claim released by this paragraph and represent that they have not assigned any such Claim to any individual or entity that is not bound by this paragraph.

17. **Rider to Control**. Except as provided in this Rider, the Renewal Franchise Agreement remains in full force and effect as originally written. If there is any inconsistency between the Renewal Franchise Agreement and this Rider, this Rider's terms will control.

FRANCHISOR:

SIMPLY SOUTHERN RESTAURANT
GROUP, LLC

By: _____
Name: _____
Its: _____
Date:_____**

**Effective Date of this Rider

FRANCHISEE

<*Franchisee Name*>

By: _____
Name: _____
Its: _____
Date:_____

EXHIBIT N

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
Illinois	April 28, 2023 (Exemption)
Indiana	April 28, 2023 (Exemption)
Maryland	Pending (Exemption)
Michigan	April 28, 2023
Minnesota	Pending
Virginia	Pending (Exemption)
Wisconsin	April 28, 2023

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.

RECEIPT
(FRANCHISEE'S COPY)

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 Simply Southern Restaurant Group, 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.

[Michigan requires that we give you this disclosure document at least 10 business days before the execution of any binding franchise or other agreement or the payment of any consideration, whichever occurs first.]

If Simply Southern Restaurant Group, LLC, does not deliver this disclosure document on time or if it contains a false or misleading statement, or a material omission, a violation of federal law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and the appropriate state agency identified on Exhibit E.

The franchisor is Simply Southern Restaurant Group, LLC, located at 2839 Paces Ferry Road SE, Ste. 500, Atlanta, Georgia 30339, (470) 607-5550.

Date of Issuance: April 28, 2023

The franchise sellers for this offering are Scott Deviney, James Thompson, Tom Carr, Terry McKee, Carrie Evans, Julianne Jarrell, and Larissa Palatiere at 2839 Paces Ferry Road SE, Ste. 500, Atlanta, Georgia 30339, (470) 607-5550.

We authorize the respective state agents identified on Exhibit E to receive service of process for us in the particular states. I received a disclosure document from Simply Southern Restaurant Group, LLC issued as of April 28, 2023, that included the following Exhibits:

Exhibit A - Franchise Agreement
Exhibit B - Area Development Agreement
Exhibit C - Financial Statements
Exhibit D - Computer Equipment Requirements
Exhibit E - State Agencies and Registered Agents
Exhibit F - Manual Table of Contents
Exhibit G - Lists of Current Franchisees / Departed Franchisees
Exhibit G-1 - Franchise Agreements Signed But Outlets Not Yet Open
Exhibit H - List of Affiliate-Owned Restaurants
Exhibit I - State-Specific Addenda and Agreement Riders
Exhibit J – Franchisee Representations Document
Exhibit K - Franchisor Lease Rider
Exhibit L – Form of General Release
Exhibit M - Rider to Franchise Agreement for Renewal Franchise
Exhibit N - State Effective Dates

Date:_____

Prospective Franchisee:

By:_____
Name:_____

Individually and on behalf of the following entity:
Company Name:_____
Title:_____

RECEIPT
(FRANCHISOR'S COPY)

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 Simply Southern Restaurant Group, 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.

[Michigan requires that we give you this disclosure document at least 10 business days before the execution of any binding franchise or other agreement or the payment of any consideration, whichever occurs first.]

If Simply Southern Restaurant Group, LLC, does not deliver this disclosure document on time or if it contains a false or misleading statement, or a material omission, a violation of federal law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and the appropriate state agency identified on Exhibit E.

The franchisor is Simply Southern Restaurant Group, LLC, located at 2839 Paces Ferry Road SE, Ste. 500, Atlanta, Georgia 30339, (470) 607-5550.

Date of Issuance: April 28, 2023

The franchise sellers for this offering are Scott Deviney, James Thompson, Tom Carr, Terry McKee, Carrie Evans, Julianne Jarrell, and Larissa Palatiere at 2839 Paces Ferry Road SE, Ste. 500, Atlanta, Georgia 30339, (470) 607-5550.

We authorize the respective state agents identified on Exhibit E to receive service of process for us in the particular states. I received a disclosure document from Simply Southern Restaurant Group, LLC issued as of April 28, 2023, that included the following Exhibits:

Exhibit A - Franchise Agreement
Exhibit B - Area Development Agreement
Exhibit C - Financial Statements
Exhibit D - Computer Equipment Requirements
Exhibit E - State Agencies and Registered Agents
Exhibit F - Manual Table of Contents
Exhibit G - Lists of Current Franchisees / Departed Franchisees
Exhibit G-1 - Franchise Agreements Signed But Outlets Not Yet Open
Exhibit H - List of Affiliate-Owned Restaurants
Exhibit I - State-Specific Addenda and Agreement Riders
Exhibit J - Franchisee Representations Document
Exhibit K - Franchisor Lease Rider
Exhibit L – Form of General Release
Exhibit M - Rider to Franchise Agreement for Renewal Franchise
Exhibit N - State Effective Dates

Date:_____

Prospective Franchisee:

By:_____
Name: _____

Individually and on behalf of the following entity:
Company Name: _____
Title: _____